Human Side of Rail Czar (Page 3)   *Business Recovery in 1933* (Page 9)

LARGEST CIRCULATION OF ANY CANADIAN FINANCIAL PAPER

THE FINANCIAL POST

The Canadian Newspaper for Business Men and Investors

CANADIAN MINING NEWS DEPARTMENT ON PAGES 15-16

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The Nation's Business

Business Looks Ahead To 1934

Banks Shift $27,000,000 Of Reserves

Rail Trustees Take Office

Year-End Stocktaking More Cheerful in 1933

THE coming of a year-end invariably entails stocktaking on the part of industry and business generally. The close of 1933 is admittedly the most satisfactory ending for business in Canada that has occurred in the past five years. Even bank presidents may perhaps be pardoned if they indulge in a little hopeful optimism about the outlook.

The results of the year are briefly reviewed elsewhere in this issue, most of the material having been compiled directly from hundreds of individual business and commercial firms in Canada by The Financial Post Business Year Book. In short it is found that the buying power of the Dominion taken as a whole during the year, is lower by only 3.3 per cent than last year; and that industrial production (which has risen 30 per cent in the past nine months) has just broken even with 1932, over the 12 month period. Largest gains during the year were in the "consumption" industries, particularly those where export business was a large factor, notably lumbering, automobiles, and so forth. Mining did well as usual, but a bitter crop failure in the West greatly curtailed agricultural buying power and offset in those provinces at least the benefits of higher prices.

* * *

THESE features of recovery that are apparent to date, are typical of what may be expected during 1934 or at least until another wheat crop is harvested in the prairies for there is never prosperity across Canada when crop failure hits the west, nor until capital goods industries reflect the recovery that is already apparent in other less durable lines. That we have made good progress in the latter half of 1933 is a tribute to increasing diversity and to expanding world markets opened up in part by returning business confidence in the world and by enlarged markets accruing from Empire preference.

For 1934 there are many indications that business recovery is under way in the leading countries of the world. Canada will share in this recovery especially as it affects the prices of the primary commodities which she has to sell. In our favor is the fact that our gains have been without the use of artificial stimulants such as the United States has been forced to use. On the other hand there is for us the burden of high interest bearing debt and unsound financial problems which are millstones to any country no matter how young and vigorous. If industrial strength continues to revive it is to be hoped that Canada will take speedy and courageous action to lessen this burden and thus avoid an otherwise inevitable day of reckoning.

* * *

Shift in Reserves Important Bank Move

ACTION by the directors of three important Canadian banks, in transferring a total of $27,000,000 from their capital reserves in order to increase the reserve for contingencies, cannot pass unnoticed by Canadian business and financial men. The good record of Canadian banks is proverbial and the wisdom of their policy in steadily increasing their reserves in good times, is now demonstrated. This is the first time in well over a decade that any existing bank in Canada has taken such action.

In effect the increase in contingency reserve is to establish additional insurance against possible future losses. Thus the statements of the three banks definitely indicate that in addition to hidden reserves (amount unknown) there is now a large fund on which they can draw in case of necessity which is not present as yet. The reports also indicate that adequate provision has already been made for all bad and doubtful debts, which would include loans made by the bank, and for depreciation of securities.

* * *

New C. N. R. Board Faces Huge Task

AT LONG last the government has named the three trustees who will be placed in charge of the affairs of the Canadian National Railways. Mr. Justice Fullerton, the chairman, F. K. Morrow and Edouard Labelle appear to constitute a capable board although Mr. Morrow is the only man of commerce in the group. Mr. Justice

(Continued on puage 2, col. 4)

MARKET ACT CAUSES WORRY THROUGH WEST

Saskatchewan Farmers View With Concern Proposed Plan

MANY DIFFERENCES

Achievement of Agricultural Marketing Law Would Upset Present Quota Proposal

From Our Own Correspondent

REGINA.—News from Ottawa of a drive to establish a Federal Marketing Act under which a drive for a compulsory wheat pool in Saskatchewan might be, and certainly would be if the act were passed, has caused not only surprise but a certain degree of consternation in this province.

So far as the great majority, both of farmers and of business men, are concerned, they were quite ignorant of the project until news came out of what a few officials of different organizations were doing at Ottawa and Toronto came out.

Saskatchewan Plan Differed

Instead of the farmers of Saskatchewan forming part of a body of a million farmers behind the proposed legislation, as appears to have been suggested at Ottawa, they have not even been apprised of it. In fact, so far as changes in marketing methods are concerned, they are still being urged to give their support to an entirely incompatible plan, that for a government wheat board, accompanied by a control of wheat deliveries from farms to country elevators. No intimation has been given to those willing to support the latter idea that the failure of this project is contemplated, and that they may later be invited to whip us their enthusiasm for another scheme entirely.

The Compulsory Pool Project

Saskatchewan was alarmed to some extent when a compulsory pooling project was forced through the legislature in 1931. An association of farmers to oppose compulsory pooling was formed but it proved to be quite powerless against the kind of pressure the pool organization was able to bring upon the Legislature. But it was realized by the majority of people including practically all the members of the legislature that the bill which was passed was ultra vires of the Legislature and that there was no chance of its becoming effective.

The principal alarm which developed was based on the obvious power of the pool organization over the members of the legislature, and the way in which pressure could be brought on individual members to vote for something of which they did not approve. With over a thousand elevator agents, and hundreds of additional employees, delegates and committee members it was possible to lay down a barrage of telegrams, letters, telephone calls and personal calls before which the boldest member of the Legislature quailed. No attempt was ever made to enforce the legislation passed, as the supreme court advised the government that the act passed was invalid as outside of the competence of the legislature.

Other Provinces Lukewarm

Neither Alberta nor Manitoba at that time gave much support to the Saskatchewan idea of an enforced monopoly of the wheat trade, but the idea has never since been dropped by some of the leaders of the Saskatchewan pool.

An opportunity to revive it was seen in the London wheat agreement. The Saskatchewan Pool came out with a qualified approval of that agreement, the qualification being that it must be followed up by the appointment of a government wheat board, on which producers would be represented, presumably by those at the head of the wheat pool, and which board would "carry the quota principle back to the farm," by specifying the exact quantity of wheat that each farmer would be allowed to deliver. A board so constituted and with such powers, would be a more powerful organization, so far as control of the grain handling machinery of the west is concerned,

(Continued on page 2, col. 5)

B. C. Marketing Policies to Change

From Our Own Correspondent

VANCOUVER.—One of the questions to be dealt with aggressively by the Pattullo government is agricultural marketing and efforts will be made to reduce importation of farm produce.

British Columbia is now in the anomalous position of having many of its farmers in dire financial straits while the province continues to import farm products valued at more than $20,000,000. The government hopes to rectify this situation to some extent during the coming year.

SIMPSON'S CAPS IMPROVED FALL WITH FINE XMAS

Colder Weather and More Cheerful Spirit Boosts Consumer Buying

SOME RECORDS

Rush Season Employees Increase Staff by Two-thirds — Mail Order Busier Also

Simpsons Ltd., has had a Christmas in all respects superior to that of 1932. It employed additional help for the season almost two-thirds of that normally employed, and reports from the training department, which sends out a bulletin every Tuesday morning to the staff, indicate that in the Toronto store alone there were on an average 150,000 people in the store daily. There were more than this in the week immediately preceding Christmas.

This bulletin calculates that 15 customers were being sold something every second of each day in the Toronto store alone. The parcellers wrapped more than 5,000 parcels an hour, most of them for delivery. Carrier boys were carrying "Sent parcels" in a steady stream all day. On some days drivers did not get back from the first delivery until 6 p.m. and then reloaded their trucks and delivered until the wee small hours of the morning. Two hundred trucks were thus engaged, some drivers handling more than 500 parcels to a load.

Telephone Business Large

The telephone order department handled more than 3,500 orders an hour during the busy mornings. Bay Street elevators alone carried more than 1,000 customers an hour and the escalators twice that number. Half a million copper coins were used to facilitate making change. The restaurants served more than 20,000 people daily.

Some departments recorded the biggest days in their history. Alltime records for a single delivery were made. Gloves and china are especially mentioned in the Tuesday morning bulletin for records achieved.

More Fertile Years Coming

In The Financial Post of September 13 last the statement was made that results to that time gave reasonable hope that accounts made public in January, 1934, would show the company to have earned enough to meet bond interest, to restore the annual depreciation write-off, to pay Robert Simpson Co. dividends and to provide something on account of the back dividends due on Simpsons preferred. All those hopes have apparently been realized, and—as then expressed,—1933 is proving a real oasis in the business desert of the last three years. Instead of being an oasis, it is now hoped that these active months since June last will prove the beginning of fertile years.

It is understood that the Mail Order Department has had a gratifying increase during the Christmas season in activity as well. The Mutual Street building has been a scene of great activity.

San Antonio Gold Mines Initial Dividend 5 Cents

San Antonio Gold Mines has declared an initial dividend of five cents per share payable during the first quarter of 1934. The date of payment has not yet been set.

Niagara Wire Weaving Covering Preferred Needs

From Our Own Correspondent

MONTREAL. — Niagara Wire Weaving Co., engaged in manufacturing wires which are largely used in the newsprint industry, has been experiencing a better volume of business during the current fiscal year which ends next March. The company has been able to pay the regular quarterly dividends of 75 cents a share on the preferred stock on which arrears now amount to $2.25 a share.

The change for the better in the company's position came last July. This was coincident with the improvement in newsprint production. During the quarter ended last September the company managed to earn the dividend on its preferred stock, while for the present quarter requirements were covered with a bit over. It is too early to forecast what results are likely to be in the next quarter and upon the returns will depend whether or not the preferred dividend is covered for the full year.

In the fiscal year ended March 31, 1932, the company had a total income of $108,920, which was equivalent to $5.26 a share on the preferred stock. In the following year earnings dropped to $33,821, or $1.63 a share on the preferred. Between July 1, 1932, and June 30, 1933, however, the management deferred further distribution on the preferred stock until conditions improve. Meanwhile, the financial position of the company was maintained, current assets totalling $621,864 as against current liabilities of only $41,334 at the end of March last.

NEW POLICIES FOR TAXING CORPORATIONS

Three Changes Affect Taxation of Companies in Canada

ON DEPRECIATION

Important Adjustments May Be Made With Saving in Cost—Returns Must Be Uniform

From Our Own Correspondent

OTTAWA.—Important changes are being rapidly worked into the administration of the depreciation clauses of the Income Tax act.

These changes affect:—

(1) The carrying forward of depreciation charged in past years;

(2) The taking of less depreciation than is set out in the statute;

(3) The co-relating of the depreciation which companies show on their books with what they report to the government.

Adjusting Depreciation Charge

In respect of the first item, namely the carrying forward of depreciation charged in past years, the government apparently now recognizes the principle that companies showing a net loss on operation should not be required to use up depreciation which, if applied in a later year when a profit was made would reduce their taxation. In other words the new interpretation of the law will tend to lighten the load on companies where profits and losses are irregular as compared with the business where earnings tend to flow along a more even keel.

Take for instance the latter type of company where a regular profit of $100,000 is made annually for five years after deducting depreciation allowance of $90,000 per year. Total earnings available for depreciation and profits would be $950,000 and income tax payable at 12½ per cent would be $62,500.

Compare this with a company where earnings are more irregular. Such a company might easily make the same amount of net profit in the five-year period but might make $250,000 annually for two years and no profit (after deduction of $90,000 for depreciation), in each of the other years. The second firm would therefore have earned but $590,000 in the five year period available for depreciation and profits, yet it would have paid the same amount of tax. In other words it would have been penalized to the extent of the amount allowed for depreciation in the three lean years—namely $270,000, which at 12½ per cent would be $33,750.

This change in policy, of course, is a matter of administration and of the judgment of the officials in charge of the Income Tax branch. No fixed policies have been worked out, but where business men can show that their case is reasonable

(Continued on page 2, col. 6)

Employment at Highest Level In Two Years

While the gain in electric output in November over the previous month was a seasonal one, the fact that output was 17.5 per cent greater than in November a year ago is indicative of the higher level of manufacturing activity. A further gain in employment was shown at December 1, the index rising to the highest level in over two years.

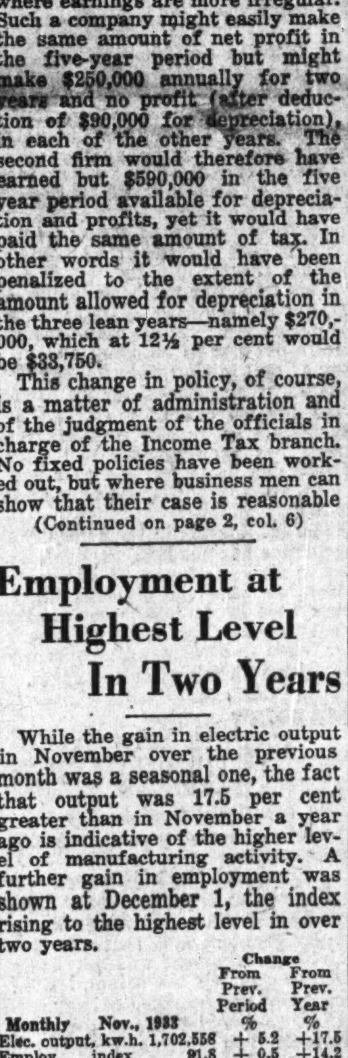
Monthly		Nov., 1933	Change From Prev. Period %	Change From Prev. Year %
Elec. output,	kw.h.	1,702,558	+ 5.2	+17.5
Employ.	index	91.8	+ 0.5	+14.2
Weekly *				
Carloadings	No.	36,888	— 1.8	— 6.5
Cattle sales	No.	6,057	—44.4	+18.4
Hog sales	No.	24,727	+28.3	—26.0

*Weeks ended Dec. 16, 21 and 21 respectively.

†December 1.

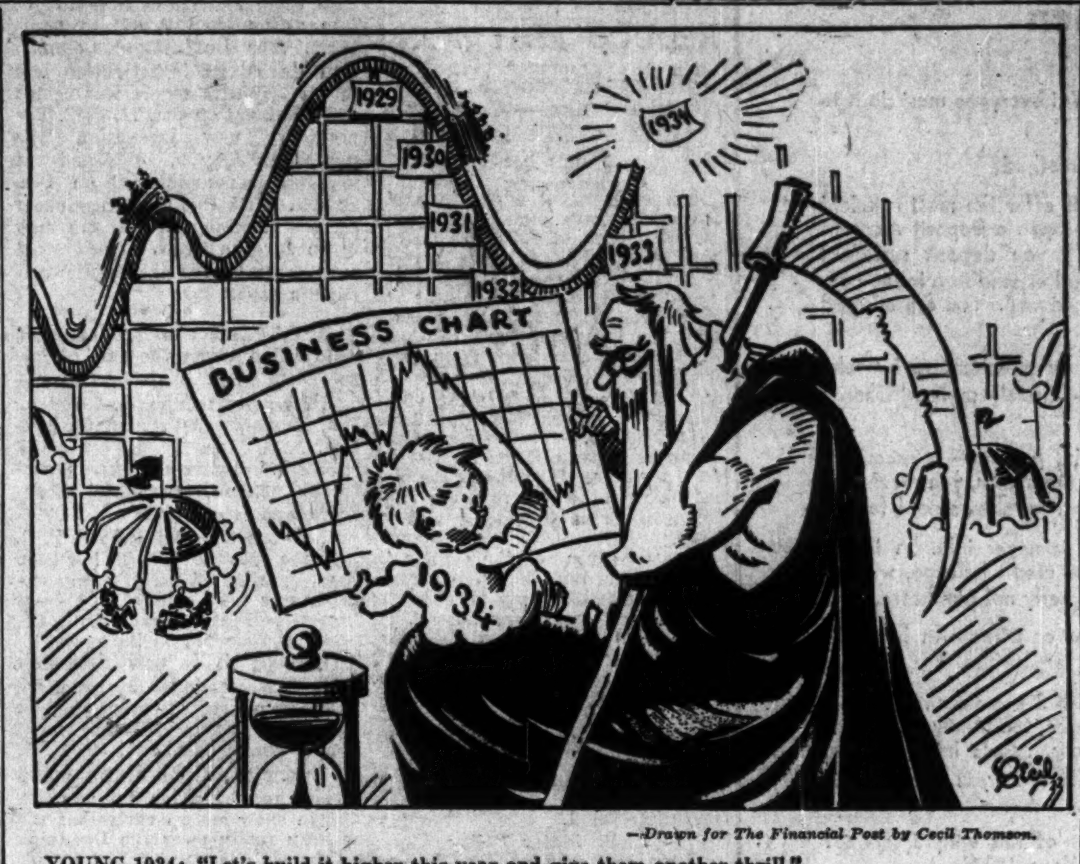
Stock Market

20 INDUSTRIAL STOCKS



MARKET RECORD

20 Industrial Stocks	High	Low
Week of Dec. 26	44.9	43.4
Week of Dec. 19	45.4	43.4
Month of Dec., 1932	28.3	25.5
10 Public Utilities		
Week of Dec. 26	47	46
Week of Dec. 19	48	46
Month of Dec., 1932	46	43
8 Bank Stocks		
Week of Dec. 26	159	157
Week of Dec. 19	163	159
Month of Dec., 1932	166	159



—Drawn for The Financial Post by Cecil Thomson.

YOUNG 1934: "Let's build it higher this year and give them another thrill."
FATHER TIME: "O. K., young fellow. But don't forget one peak like 1929 is enough for a lifetime."

Trustee Morrow Arranges Affairs In C. N. R.'s Favor

F. K. Morrow, appointed member of the three-man C. N. R. Administrative Commission, has withdrawn from active connection with the management of the various companies with which he has been associated.

He has done this, it is understood, that he may be free to give the necessary time to C. N. R. affairs, and so that there may be no conflict of private interests with policies formulated by C. N. R. trustees.

CANNERS' PLANS 1934 CAMPAIGN IN BRITISH ISLES

Organization Covering U. K. Swings Into Action January 1

Canadian Canners, which has been selling to the British market increasingly for some years, plans to open 1934 with a stronger drive than at any time in its history. Attractive displays at expositions and at strategic places in chief cities will be part of the programme, but the whole situation in the United Kingdom has now been organized as a result of a recent visit to the old land made by the general manager.

Scotland Covered

R. Caldwell, agent in Glasgow, will continue as sole representative for Aylmer brand and all Canadian Canners products throughout Scotland. In addition to his work with the wholesale, multiple and cooperative trades, Mr. Caldwell also manages to find sufficient time to lecture three or four times a week on Canadian canned foods, using moving pictures to put over his story. He is assisted by Mr. Strang, who at the present time is doing special work on Aylmer brand with the retail trade.

England and Wales

Commencing January 1st, 1934, the business in England and Wales will be directed exclusively by George H. Thompson, who has a very wide experience of the British market and has worked with Canners in the past.

Co-operating with him as subagents Mr. Thompson will have Thompson, McCutcheon & Co. Ltd., of London and Chas. H. Fox & Son, of Manchester; Jos. Shapton & Son, Bristol, and Hubert Waters, of Cardiff.

In England and Wales the distribution of Aylmer brand has now been placed solely in the hands of The United States Organization, Astor House, Aldwych, which has a large staff of salesmen covering the wholesale and retail trade throughout the United Kingdom.

HOWARD SMITH SALES IN 1933 HOLD UP WELL

Business Considered Fair in View of Conditions Prevailing

NET ABOUT THE SAME

From Our Own Correspondent

MONTREAL. — Sales and earnings of Howard Smith Paper Mills during the past twelve months were on a basis much the same as that reported in 1932. Taken as a whole, conditions were not particularly favorable for an increase in business and the fact that the volume of business was reasonably well maintained is considered as very satisfactory.

During the last quarter there was some evidence of firmer conditions, leading to the belief that demand for the company's products during the coming year may be on a somewhat better basis. The improvement in sales has not been especially marked, but the type and volume of business secured has been more encouraging.

The state of business across the country in 1933 was clearly reflected in the products sold by the company. High grade papers were in little demand. Medium grade papers were in fair demand, while the lower grades sold in larger volume.

Net Earnings Maintained

It is still too early to determine net earnings for the past year. Preliminary indications are that the consolidated accounts of Howard Smith Paper Mills will show operating profits on about the same basis as in 1932. Whether or not the income account will show an increase in earnings will depend upon year-end adjustments, etc.

In 1932 the company had net earnings of $1,377,556. This was roughly $275,000 more than shown in the 1931 accounts. After providing for depreciation, bond interest, premium on purchase of United States funds and other senior charges, there remained a balance of $273,126 available for distribution on the capital stock. This was equivalent to $6.07 a share on the preferred stock, which is in arrears of dividends since March 1, 1931.

No Action on Dividend

Though the company may show its preferred dividend earned in 1933, it is not anticipated that the management will consider any action on the preferred stock dividend arrears until such time as the earning power of the company is on a larger scale.

Reduce Bank Loans

The balance sheet of the company as at December 31, 1933, is expected to show a further strengthening of finances. At the end of the last year the company had bank loans of $1,427,500. These have been reduced during the year.

Bank borrowings and deferred liabilities by the company have been steadily reduced in the past three years. At the end of 1930, the

(Continued on page 2, col. 5)

Canada-U.S. Relations Subject of Major Study by Experts

From Our Own Correspondent

OTTAWA.—The Carnegie Foundation is undertaking the publication of a book dealing with the relations between the United States and Canada.

The book will be edited by Prof. Shotwell and Prof. R. M. MacIver of Columbia University. The former is a Canadian and the latter, while born in Scotland, spent many years of his life as a member of the faculty of Toronto University.

Very Complete Survey

There are to be a dozen or more chapters dealing with such subjects as the political inter-dependence of the two countries, movement of population, trade, the press and literature, finance, penetration of American capital into Canada, branch plants, tariffs and so forth. The volume, in fact, is to be a complete survey of past relations between the two countries.

The Canadian contributors number ten or more outstanding men in journalism, the civil service, and university circles. Their identity is fairly well known but as the book is to carry only the names of the editors every effort is being made to give the writers the freedom of anonymity. Responsibility for what is said will rest upon the editors.

It is understood that the manuscripts are to be in by March and that the book will be ready for sale in the autumn of 1934.

Highlights of the week

1934 Outlook

Canvass of opinion of hundreds of business leaders co-ordinated in a crisp bird's eye view of prospects for 1934 in various lines. Page 9. The 1934 newsprint outlook. Page 4. Key securities analyzed. Page 1.

Record of 1933

Record of newsprint output for the last year. Page 8. How buying power is becoming re-established in Canada. Page 9. Recovery of commerce in the five economic areas of Canada. Page 7.

New Rail Czar

How courage and integrity carried C. P. Fullerton into Canada's biggest job, chairmanship of the C. N. R. board of trustees. How he may attack the railway problem. His methods and unaffected mode of life. Page 3.

Say It With Dividends

Record of total dividends paid by Canadian producing mines since incorporation. How the industry has benefitted buying power in Canada. Page 16.

Bank Profits

Profits hold up well. Pages 9 and 13. What large transfers from capital to contingent reserves indicate. Page 1.

Directors' Powers

Rights, duties, powers and common law liabilities of company directors. W. S. Lighthall, of Montreal, examines over 1,000 cases in his Directors' Legal Manual. Reviewed on page 11.

Tax Avoidance

Supreme Court of the United States gives the legal viewpoint toward tax avoidance within the law. Page 8. Also editorial on page 6.

Insurance Safe

L. Seth Schnitman's new book "How Safe is Life Insurance?" reviewed authoritatively for Canadian readers. An examination of fundamentals. Page 12.

Grasshoppers

How infestation by these pests may endanger the 1934 wheat crops in Canada and the United States. Grasshoppers recognize no boundaries. Page 10.

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SHAREHOLDERS ENTERING 1934 HIGHER IN HOPE

Investment Bankers, Brokers and Investors Are Definitely Optimistic

STOCKS RISE

Distillery, Brewery, Malting, Textile and Merchandising Stocks Have Been Barometers of Future

Investors, speculators, investment bankers and brokers generally greet 1934 with lively anticipations of better business and improving conditions whereas they entered 1933 with gloom. That gloom was worst in February when the world began to break its prolonged fast, and industry after industry and business concern after business concern ordered raw materials and manufactured products in accelerating measure because they discovered real shortages were developing and because they feared that inflation policies advocated might shove prices higher. The prolonged series of spectacular policies by which the Roosevelt administration in the United States has been attempting ever since then to cure banking, industrial, economic and social ills and to blast the funk out of the body economic have created both hope and uncertainty but the year is ending nevertheless on a hopeful note.

Much is unsettled as the stock exchanges and the investment community enter 1934. World trade halts uncertainly in the face of unknown decisions as to monetary policies on both sides of the Atlantic and of present controversies about bimetallism (for internal trade) devaluation of the dollar as measured in gold, accord versus war between chief world currencies and unsettled war debts.

Canada is Fortunate

Canada and nations of the British Empire find a good basis for further development of more trade in Imperial agreements, in the fact that the mounting British pound increases its purchasing power in Canada and that a measure of stability for a time in certain currencies has allowed trade to develop once again for a time at least.

The greatest encouragement to the investor is that purchasing power this Christmas has been larger than in 1932, that some companies are increasing or renewing their dividends, that prices have risen in many lines in place of the continuous drop for some years and that apparently some of the stress is going out of industries which have completed their adjustments to the new situation created since 1929.

Liquor Stocks Soar

There have been special actions which are having great effect in 1933 and which may prove very important in 1934 notably:

1st, the repeal of prohibitory laws on December 5, 1933, whereby the United States offers a whisky market for nearly 30,000,000 gallons of matured Canadian alcohol suitable for that market; it has sent the stocks of Hiram Walker-Gooderham & Worts, Distillers Corp.-Seagrams, Canadian Industrial Alcohol, Brewers & Distillers and some other companies soaring because their large inventories (formerly excessive as far as Canada is concerned) are now of great value.

2. From various parts of Canada are reported maturing plans of Provincial Governments in need of revenues to make sale of beer, ale and wine much easier as in Quebec by permitting sale by restaurants, hotels and clubs, thus making it likely that breweries will recover much of the output now going in large measure to home brewers; as a result last months of 1933 have found securities of brewing companies rising rapidly in the face of the fact that actual production in 1933 is less than in 1932.

Ottawa Conference Agreements

3. Imperial preference agreements arising out of Ottawa conference are aiding many industries to find markets in Great Britain and other parts of the British Empire; flour millers, wheat sellers, fruit, fish, meat and vegetable canners, packers, lumbermen, base metal miners and others hope that this will improve trade in 1934.

4. The mounting pound improves possibilities of selling against other competitors in United Kingdom markets and may make all difference for salmon and other fish canners.

5. The greater stability as to price has resulted in merchants making larger commitments in the last seven months of 1933 and selling at steadier prices and therefore to better profit.

Oil Stocks Mark Time

Oil companies on the whole have done slightly less business than in the previous year. Some of the smaller companies report improved profits but the larger companies, serving wide areas of town, city and country, find improvements made in some districts wiped out by economies in others. It is hoped that the position for the future may be helped by events in the United States but the effect outside the United States of oil proration under the N. R. A. is not yet fully in view and most Canadian companies are now operating under the shadow of an investigation into charges that there is a combine. The stock mar-

(Continued on page 2, col. 6)

EATON'S Deposit Account System — appeals to Business Men

Few men like shopping. Yet everyone must do it to some extent.

What then, is the easiest method?

EATON Deposit Accounts offer the most efficient and simplified system . . . To open a Deposit Account (familiarly termed a "D.A.") you deposit sufficient money to cover your estimated expenditure in the near future. Your signature is registered. You are allotted a number.

Henceforth, you can order merchandise by telephone, by mail or in person—merely saying "Charge it to my 'D.A.'"

Every cent spent—and its purpose—is recorded. Instead of bills at the first of the month, you receive an itemized monthly statement of purchases paid for.

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Money can be deposited or withdrawn from the "D.A." as desired.

As you are aware, EATON'S can fill almost every human need,—for the wardrobe, the family, the home, the table, the office, the car, sports interests, etc. And in dealing with EATON'S you benefit by guaranteed low cash prices.

Why not take advantage of this unique service? Open a "D.A." for the New Year, 1934!

For full information, write to, or call at the D.A. Office:—Main Store, Fourth Floor, or EATON'S—College Street, Third Floor.

THE T. EATON Co LIMITED

CHRISTMAS TRADE REPORTED BRISK

Leading Cities Give Good Reports For Past Week

The weekly trade report of Canadian Credit Men's Trust Association, for the week ending Dec. 23, is as follows:

Halifax — Reports from footwear wholesalers show a substantial increase in sales over the corresponding period last year. Grocers and provision merchants also report sales better than last year. Reports from retailers while rather conflicting show sales on the whole about on a par with those of last year. Trade for the week has benefitted by the Christmas sales. The deadlock in the coal industry in the New Glasgow district still unsettled. Wholesale collections are improving but retailers complain that collections are rather slow.

Saint John — Both wholesale and retail trade report improvement over previous week with Christmas trade comparing favorably with that of corresponding period last year. Collections continue fair.

Montreal — Wholesalers report a good volume of business in grocery line; dry goods very fair; boots and shoes moving moderately well; clothing and ladies' wear fair; hardware shows a slight improvement but still somewhat dull. Both city and country merchants report retail trade for the week as brisk, but volume below holiday expectations. Collections: wholesale, fair; retail, still slow.

Toronto—Consumer buying as indicated by the larger stores is very satisfactory, but the smaller retail stores are not experiencing a very good season locally. Throughout the province, though, the reports are encouraging in so far as Christmas business is concerned. Radio trade fair; hardware and paints, dull; produce, satisfactory though prices on the low side; confectionery, good; automotive accessories, good; jewellery, fair. Collections fair.

Winnipeg — Wholesale merchants report volume in grocery line as very good; footwear lines very satisfactory; hardware slightly improved; other lines moderately fair. Retail merchants report a brisk week's trading, business comparing very favorably with that of last year. Collections fair to poor.

Regina—Wholesale groceries, sales very satisfactory; other lines report moderate volume. Retail trade, both city and country, report sales very satisfactory although volume not up to expectations. Collections on current accounts fair.

Saskatoon — Wholesalers report sales in practically all lines, particularly grocery and footwear lines, as very satisfactory, volume comparing favorably with that of last year; oils and greases show slightly reduced volume. Retail merchants, both city and country, report sales in most general lines can be considered quite satisfactory. Collections on current purchases good, old accounts practically dormant.

Calgary — Cold weather is having an extremely adverse effect on retail sales, and very little country business as yet showing up in the city; Christmas retail shopping generally having been rather disappointing. Collections on current accounts being kept up satisfactorily, but still very difficult to realize on old past dues.

Edmonton—Wholesale grocers report business good; packers and produce lines, fair; boots and shoes and clothing showing improvement over previous two weeks. Retail Christmas trade while slow in starting is showing improvement. Collections fair.

Vancouver—Practically all lines of wholesale business report trade as somewhat quiet, with manufacturing as just fair. Retail business fairly brisk, due, of course, to the Christmas trade, which is reported at least equal to that of last year, with a slight increase in sales over the same period last year in some lines.

John D. Gilmour,
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CONSULTING FOREST ENGINEER
MEMBER OF COUNCIL, WOODLANDS SECTION, C. P. & P. A.
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Public Works and Employment

Two very important articles on "Public Works and Employment" appeared in recent issues of The Financial Post.

These articles give a comprehensive survey of the agitation in Canada for public works as a relief measure; an examination of the unemployment problem; arguments pro and con of public works; what Canada, Britain and the United States have done; where construction stands in Canada; Mr. Bennett's and Mr. Rhodes' views.

Business men, public officials and taxpayers in Canada will be interested in this survey. Send ten cents in stamps for the two articles to

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BANKS GUARD AGAINST LOSS; ALTER SET-UP

Commerce, Royal, Provincial Increase Contingency Reserve

REDUCE REST FUND

Follows Precedent Set by British Banks — Commerce Reserve Not Reduced Since 1888

Three Canadian banks in rapid succession have announced transfer of a total of $27,000,000 from their capital reserve funds to their contingent reserves. The Royal Bank has reduced its capital reserve from $35,000,000 to $20,000,000; the Canadian Bank of Commerce reserve is down from $30,000,000 to $20,000,000 and the Banque Canadienne Nationale has reduced its reserve from $7,000,000 to $5,000,000. No existing Canadian bank has reduced its reserve fund for many decades and the last reduction in the reserve of the Canadian Bank of Commerce was in 1888.

Reason given for the change is that Canada and Canadian securities in particular may be affected by economic conditions abroad.

Bank officials refuse to make any further comment than is contained in the annual statement of their bank. It is probable, however that more complete explanation may be given at the annual meetings to be held early in January. This action is similar to that taken by leading English banks in the last three years.

Bank States Policy

The statement of the Banque Canadienne Nationale gives in some detail the reasons motivating directors of all three banks in reducing capital reserve This statement is as follows:

"Canada could not hope to be immune from unsatisfactory financial and economic conditions abroad and was bound to feel the effects of the monetary policies of the United States. Such effects were apparent in the course of November last when substantial blocks of the highest grade Canadian securities held in the United States were sold on our market with a resultant lowering of quotations. The directors of the Banque Canadienne Nationale have decided, as a precautionary measure, to transfer a sum of $2,000,000 from the general to the special reserves. It is common banking practice to hold, in addition to the general disclosed reserve fund, inside special reserves intended to cover possible shrinkage in the current value of investments or other assets. These book entries do not alter the real condition of a bank. The temporary ear-marking of a portion of the general reserve fund for eventualities which may not materialize, but which it may be the part of wisdom to provide for, enables a bank to reinstate its general reserve fund to its former figure, when business conditions become more settled. The Banque Canadienne Nationale could have built up its special reserves in other ways. The bank declined to sell at a profit of some $1,800,000 the $15,000,000 of province of Quebec bonds which it owns; it did not even consider advisable to take into account the appreciation between the nominal and market value of these securities. The bank could have chosen another line of approach and reduced as other banks have done, the rate of dividend on its stock, and credited its special reserves with a larger share of its profits. The directors of the bank deemed reasonable the maintenance of a 10 per cent dividend, which amounts to a yield of five per cent on the shareholders' capital; they also considered that they were warranted in drawing upon the reserve fund which was accumulated for the very purpose for which it is now being availed of."

Sets Aside $10,000,000

The annual statement of the Canadian Bank of Commerce is not so explanatory but is quite specific. It reads as follows:

"Although business in Canada has in recent months shown distinct improvement the outlook must remain uncertain while world conditions, which may effect the Canadian economic situation, continue in their present state of confusion. Adequate provision has been made for all bad and doubtful debts and depreciation of securities. As a precautionary measure, however, to provide against possible contingencies which may arise in future, your directors have decided to increase existing contingent reserves by $10,000,000 and have accordingly transferred this amount from reserve fund. In adopting this course they are following the prudent example set by leading British and other important banks throughout the world."

The auditors of the Royal Bank comment on the transfer to contingent reserve as follows:

"The above statement is, in our opinion, properly drawn up so as to disclose the true condition of the bank as at November 30, 1933, and it is as shown by the books of the bank after giving effect to the transfer by directors of $15,000,000 from reserve fund to reimburse the inner reserves of the bank and to provide reserves which they consider adequate for future contingencies."

Victoria Finances Improved for 1934

From Our Own Correspondent

VICTORIA. — City of Victoria is facing the year 1934 in a financially optimistic frame of mind. It was found necessary to withdraw $180,000 from the sinking funds at the beginning of the current year. But by careful investment the city has since been able to build up a surplus in this fund. Opening of the new year shows steadily declining relief lists and possibility of a surplus of $20,000 to $30,000 in the civic budget. This may be used to further reduce the mill rate and probably to increase civic employees' salaries by five per cent.

During the past year the city has cut the tax rate half a mill and assessments on improvements by $1,600,000. In addition to prospects for a further mill rate reduction in 1934, has already decided to grant a blanket reduction of ten per cent on all assessments, which will be equal to over $112,000 or almost three mills.

Buys Own Bonds

In the past year, the finance department of the city has been pursuing the policy of buying in its own bonds or exchanging provincial bonds for its own debentures with which to build up its sinking funds. The reason, according to officials, is the possibility that provincial governments may convert their loans into three per cent bonds. Consequently if the city retained these debentures and was forced to accept the converted bonds, their sinking fund investments would give a return one per cent lower than the required four per cent.

The Nation's Business

(Continued from page 1)

Fullerton and Mr. Labelle are of the legal profession, the former having been chairman of the Board of Railway Commissioners, and Mr. Labelle a member of the most recent directorate of the C. N. R., as was Mr. Morrow.

From the records of the appointees it appears certain that it will take them much less time to get into action than it did to name them. The Duff Royal Commission started its investigation late in 1931, and its report was tabled in Parliament on Oct. 11, 1932. The necessary new legislation was passed on May 9, 1933, and the appointments announced on Dec. 22 last. With this Christmas cheer for the Dominion, a new era may begin for the C. N. R. At least such must be the intelligent taxpayer's hope.

* * *

PRINCIPLES that are expected to follow under the new régime are:

1. Absolute, non-political control.
2. Economy throughout the system.
3. Administration only, as contrasted with former policies of extravagant expansion.
4. Co-operation with the C. P. R.

In the past the C. N. R. has been the plaything of politics, and expenditures were handled in a free-handed political manner, until depression appeared on the scene.

Certainly it is now necessary that rigid economies be practised to an even greater extent than in the last three years. For one thing, it may now develop that the C. N. R. accounts will be drawn up to include provision for depreciation, and to show more clearly that the railway really owes the Dominion an annual sum for interest on advances. These items alone make the task of showing a profit one of gigantic size.

* * *

IT WILL also be necessary for the new trustees to try to encourage rail traffic. Some outlays will have to be made on this account. But the days of extravagant and wasteful hotel-building, and unnecessarily bitter competition with the C. P. R., must be made completely a thing of the past. And here it should be noted that the amount of rail traffic in Canada is to no small extent limited, so that the possibilities of increasing it depend heavily on general economic conditions.

The only remedy for this is reduction and elimination of every needless expenditure. Into this category will come certain phases of the formerly bitter competition with the C. P. R. To the extent that such excessive competition is of no value in our present railway crisis, co-ordination toward economizing must be developed to the fullest possible extent.

* * *

AN APPALLINGLY casual reception was given to the appointments by the press and the citizens of the Dominion. Perhaps the Christmas festivities accounted for it. For it cannot be denied that a new administration for the railways that have lost probably $1,000,000,000 of the taxpayers' money in the last fifteen years is news. The apathy of the average Canadian toward his contribution for C. N. R. deficits of $100 in that period for every member of his family is surprising. Last year the actual contribution was nearly $10 a head for every man, woman and child in Canada, and this year it cannot be much less. This disinterested attitude can only be explained by the failure to recognize that the railway burden, directly or indirectly, falls on the shoulders of every citizen.

In their efforts to make ends meet, the new trustees should have the hearty support of all classes and interests in Canada, for the prosperity of the Dominion is very definitely bound up with the efficient management of the C. N. R.

Trade With Britain Jumps in November

A remarkable increase in Canadian domestic exports to British Empire countries and particularly the United Kingdom in November was recorded as compared with November, 1932. The total to British Empire countries was $33,693,346 compared with $22,644,307 an increase of $11,049,039, or 48.7 per cent, while the export to United Kingdom was $28,874,828 compared with $19,232,731 an increase of $9,642,097 or 50 per cent.

At the same time there was also an increase in the exports to foreign countries. The total was $26,691,244 compared with $23,300,213, an increase of $3,391,031 or 14 per cent.

The November export to Empire countries was the largest since November, 1930, when it exceeded $35 millions.

EXPORTS GAIN IN NOVEMBER, 31 P.C. OVER 1932

Figures for Eight Months Show Improvement of 14.6 p.c.

Total exports of Canadian produce during November totalled $60,384,590 as compared with $45,944,520 in November, 1932, an increase of 31.4 per cent. During the month, total imports entered for consumption were valued at $43,653,078, an increase of 15.6 per cent over the $37,769,047 entered in November, 1932. Increase in value of exports during the month is largely due to increased value of exports of wheat, wheat flour, fish, cheese, wood pulp, partially manufactured copper and unmanufactured nickel. While quantity of wheat exported declined from 27,302,000 bushels in November, 1932, to 23,144,000 bushels in November, 1933, value increased from $13,959,000 to $15,299,000.

In the eight months ended November, 1933, total exports of Canadian produce provided $386,007,148, an increase of 14.6 per cent over exports in the corresponding period of 1932. The total value of of imports entered for consumption during the same period declined by 3.9 per cent to $284,910,000. The principal items of export during the eight months period as compared with figures for the 1932 period are as follows:

Comparative Statement of Canadian Foreign Trade During the Eight Months Ended November 31

	1932 Value $	1933 Value $
Total exports (Canadian produce)	336,645,984	386,007,148
Total exports		
Principal Items of Export:		
(Foreign produce)	4,983,697	3,901,383
Wheat	96,348,153	91,418,990
Wheat flour	11,822,997	13,915,990
Fish	11,700,840	14,190,314
Furs	4,187,762	4,952,523
Meats	4,372,793	8,219,593
Cheese	8,183,695	7,245,341
Planks & boards	8,361,221	13,638,208
Wood pulp	11,789,712	16,668,579
Newsprint	53,601,019	47,893,324
Autos & parts	5,897,187	7,659,800
Copper, partially manufactured	8,721,528	12,567,153
Nickel, unmanufac.	4,322,950	18,342,126
Imports entered for consumption—Free goods	112,656,444	123,914,735
Imports entered for consumption—Dutiable goods	183,847,803	160,995,257
Total imports entered for consumption	296,504,247	284,909,992

Maritime Telephone Lose 76 Stations in November

From Our Own Correspondent

MONTREAL.—Maritime Telegraph and Telephone Co. experienced a net loss of 76 in the number of telephone installations at the end of November compared with those reported at the end of the previous month. The company had 37,992 telephones installed on October 31 and 37,916 on November 30. The Island Telephone Co., a subsidiary, reported a decline in installations from 5,497 to 5,491, a net loss of only 6.

HOWARD SMITH SALES IN 1933 HOLD UP WELL

(Continued from page 1)

company had bank loans of nearly $2,850,000. In 1931 these were reduced to around $2,350,000, and in 1932 to $1,427,500.

Coincident with the reduction in current liabilities, working capital has declined. This has been brought about mainly by a reduction in inventories, which at one time amounted to nearly $4,000,000 and at the end of 1932 to $1,973,382.

It is expected that the working capital position of the company at the end of 1933 will compare very favorably with that reported at the end of last year.

Tighten Up Organization

Over the last two or three years the management of Howard Smith Paper Mills has devoted its attention to co-ordinating the different units going to make up the consolidated organization and, at the same time, strengthening finances. Considerable progress has been made in this work, as shown by an examination of the consolidated balance sheet.

This work has not been completed, but the company has placed its manufacturing facilities and finances in position to take full advantage of an upswing in business conditions. The demand for its products follows closely the trend of business. In recent months this trend has been upward and with production costs reduced to a low point, earning power has been on a better scale.

Market interest in the company's securities has not been particularly active for some time. The common stock, on which no dividends have ever been paid, seldom makes its appearance. The preferred stock is traded in occasionally, while the bonds have a fairly broad market.

MARKET ACT CAUSES WORRY THROUGH WEST

(Continued from page 1)

than the compulsory pool originally agitated for.

Provincial Control Mooted

It became apparent some time ago that no such board was likely to be granted, and that the Dominion government was not likely to take on itself the odium, letting the provinces escape, of any attempt to restrict wheat growing. Then the pool attack was shifted to promoting the idea that the export quota allowed under the London agreement should be divided among the provinces, and that in each province a board should be appointed to allocate to each farmer the quantity of wheat to be delivered, it being taken for granted that such a board would be constituted mainly of pool officials.

Business circles credit pool officials with a very ingenious plan to re-establish the contract pool on the basis of the sales certificates which might be issued by such a board. The original pool contracts have now expired, and a new basis of organization is obviously required. Once the sales certificates were out, so the story goes, it was planned to put on a campaign for a new pool sign up, using these certificates as a basis. A farmer who refused to sign up might be in danger of incurring the displeasure of the very organization on which he might depend for permission to sell any wheat in subsequent years.

Two Obstacles Develop

Two obstacles, however, have developed to that plan. It might be got through the legislature, as the previous compulsory pool plan was got through, but the constitutional difficulty would remain. At first it was thought that enabling legislation might be secured at Ottawa, but this now seems more doubtful. The Prime Minister is believed to have informed the Provincial Premiers that any legislation required to put into effect an acreage reduction plan could be obtained from the Dominion Parliament, but it now is thought doubtful if that promise could be stretched to include the farm quota plan, since its connection with acreage reduction is quite remote. The other is the fact that the plan wherever it is mentioned in the country, is arousing a good deal of hostility, and it is considered doubtful if it will be wise to proceed with it.

Now Look to Act

It is now believed that those who want to secure monopolistic control of grain handling in Saskatchewan are placing their chief dependence upon the Marketing Act which is now being drafted at Ottawa, by Mr. Milliken, solicitor for the wheat pools. It is expected that the compulsory wheat pool idea will be soft-pedalled as much as possible, until after such a law is passed, leaving the chief fight on that bill to be made in connection with fruit, dairy products or livestock.

It would be treated, so far as wheat marketing is concerned, merely as enabling legislation which the farmers of the province might or might not desire to make use of at some future time. But once passed, the Saskatchewan Wheat Pool, with the resources at its command, and farmers opposed to the project unorganized and without funds for the purpose, would be in a position to put on a tremendous drive.

The farmers who would resist being forced into such a scheme would find the cards stacked against them, and might be unable to maintain their position. Even though successful once, the attack on their liberties might be renewed again and again. There would be, it is believed here, a very bitter fight, one which the farmers outside of the pool and the business interests of the cities are beginning to dread.

NEW POLICIES FOR TAXING CORPORATIONS

(Continued from page 1)

they may expect to find Ottawa agreeable to the change.

Varying Depreciation Rate

On the second point, the Income Tax branch for some years, although it does not seem to be generally known, has not insisted that companies take the full depreciation as set out in the statute. The officials have laid down the rule that companies must work within the statutory figures. That is, in the case of machinery no company can take more than the statutory 10 per cent but on production of evidence that this charge is too great, a company may take less.

For a time the officials allowed a leeway of 50 per cent in this matter. A company could take from 5 to 10 per cent on machinery, for example. But more recently this leeway has been widened. It is now possible for a company to take 1 per cent, but not less, if officials can be convinced that the amount is fair.

Only One Statement Now

But the most recent and important change in the enforcement of the depreciation clauses, concerns the co-relating of the depreciation as reported to the government in Income Tax returns and as shown in the books of companies. The change dates from mid-summer but is only now attracting general interest among tax-payers.

Officials have found, in recent years, that some companies were showing a much higher amount written off for depreciation in their income tax statements than in their annual reports to shareholders. In other words, these companies showed a higher depreciation for purposes of income tax than their own books would support. The officials have ruled that a company is not entitled to show more depreciation in its income tax statement than is shown in its books. The amounts must tally and in case of conflict the book depreciation will prevail.

SHAREHOLDERS ENTERING 1934 HIGHER IN HOPE

(Continued from page 1)

ket has, however, taken an optimistic view of the future as the trend is with the industry and it usually responds to increases in industrial activity and purchasing power. The two chief companies, Imperial Oil and British American Oil, may benefit from higher prices for crude of foreign subsidiaries.

Ford A Attracts Attention

Returning interest in motor company stocks is shown by increasing value of Ford A during 1933 and by the payment of a dividend in December as an earnest of the company's faith in reviving sales in 1934. Dominion Motors has retired from the field for a time at least and Russell Motors Co. closed Willys-Overland operations in view of difficulties of the Willys company in the United States and the increasing uncertainty as to desired parts. Goodyear Tire common dividend has just been increased from a $2.40 to $4 basis as a mark of the company's greater business expectations.

George Weston Expands

Biscuit companies did not get greater volume during the year but George Weston, Ltd., took advantage of the world situation to establish it in England by buying an old-established company, to expand its bread business from Toronto to an area of 100 miles around Toronto and to develop further the United States subsidiary's fine biscuit business. National Biscuit also has reported increasing profit. Biscuit business generally advanced in last half of the year. There was keen competition and some price-cutting. More stable marketing conditions are hoped for in 1934.

Elevator companies must await their turn on the market until marketing conditions for Western wheat are improved. Lower crops have caused earnings to fall somewhat.

Packers Do Better

Canadian Canners, Whitall Can Co. and Associated Canners all have benefitted from a better price situation. B. C. Packers paid more for sockeye salmon and will not get benefit of better catch. Canada Packers has made a sensational comeback as a result of Canadian hog prices dropping to world levels.

Atlantic Sugar and Acadia Sugar are holding well the improvement shown in the last few years.

Not Good For Salmon Packers

It has not been a good year for the fish packers and the returns will total between $10,000,000 and $11,000,000, or about half the returns of normal years. Overseas competition and price troubles have beset the industry most of the year.

Dairy companies are all in a much worse situation because of pressure of supplies on markets and increasing competition. They claim it is in a chaotic condition. Milk producers are increasing in spite of lower prices to farmers and small distributing agencies crop up to take surplus, thus decreasing margins for distribution.

Baking companies, even old-established ones like Consolidated Bakeries and Canada Bread, have felt the keen competition of recent years. Dividends have had to go until employment is greater, purchasing power more and competition less drastic.

Flour milling companies have not yet reaped the hoped-for advantage in foreign markets but are maintaining their position in domestic markets. They are working hard to recapture their old position abroad but must await improvement in exchange in some cases, dropping of impassable tariff barriers in others and waning of distress competition.

Can. Ginger Ale Steps Out

As a reflex of freer sale on this continent of all kinds of spirits and malt beverages, Canada Ginger Ale is drawing attention because it is getting into the new business in a large way as distributor of foreign and United States products.

Canada Malting Co. earnings have jumped as a result of United States demand and this will continue until its own malting industry is in full sway again. Canadian Wineries is going to manufacture in New York State and large distilling firms are establishing subsidiaries south of the line.

Better Farm Prices Needed

Companies which sell to farmers are not yet finding a decided change for the better. There has been more payment on back bills and some renewed enquiry for necessities. But farm implement companies cannot report a difference so marked as to give them hope that they will show profits in 1934. Greater improvement in farm prices and costs will be needed before that happens.

Mail order houses do find some difference in demand and that is of some advantage to Hudson's Bay Co. and Simpsons Ltd. and The T. Eaton Co. but the last are finding their increased demand from cities the most important factor.

Elsewhere is given a full article on situation for pulp and paper companies, for railroads and for utilities. So far as the latter are concerned it is of interest to note that surplus power is being marketed though at lower rates for steam in pulp and paper companies and that the wide interest of Canadians in foreign public utilities such as Brazilian Traction Light & Power Co., Barcelona Traction, Mexico Light & Power Co., Mexico Traction, International Power Co., Jamaica Public Service, Trinidad Electric Co., The Mackay Companies, The Postal Telegraph & Cable Corp. has not yet assumed the favorable aspect which may come when international exchange is once more comparatively stable.

Textiles do Better

Textile companies found 1933 a good year. The trend changed for them. The higher pound sterling made it more difficult for English companies to compete even though the currency equalization regulation to add to duties was abolished. Dominion Textile Co., Canadian Cottons, Wabasso Cotton Co. all had benefit of the situation while the lower United States dollar made it easier to buy raw cotton cheaply.

Woollen companies also benefitted both from increasing purchasing power and cold winter experienced in November and December. But the 30 per cent increase in business of the wool group was outclassed by the 50 per cent advance in output for silk companies. Smaller margins of profit on sales nevertheless gave higher totals than a year earlier because of greater volume. Such companies as Riverside Silk Mills, Ontario Silknit, have done better. Bruck Silk Mills was able to resume dividends. Biltmore Hats increased earnings and dividend is in prospect for common which so far has paid none. Canadian Celanese has been operating at capacity and has been paying something on arrears. Prospects remain excellent. Carpet companies after years in the red showed an acceptable change to the profit side of the profit and loss account.

Merchandising Better

Merchandising companies are in many cases doing much better. That is certainly true of Simpsons Ltd., National Grocers, Stop & Shop, Thrift Stores, and Burns & Co. though the last still believes that a reorganization of capital structure will be necessary. Dominion Stores monthly sales are down but that is a good feature as it means the elimination of some scores of stores which operated at some time in 1932. In the first half dividends were not quite earned but economies made began to have their full effect in the latter half of the year. Loblaw's sales have shown improving tendency in the latter half of 1933 but total is still under dollar value shown for 1932.

There is tendency on stock market to assess long-hold value of construction stocks and steel company stocks showed some improvement as well as stocks of Canada Cement, Canadian Car & Foundry, Dominion Bridge and Page-Hersey Tubes. The movement upward is slow, however, and the demand for new buildings will wait on a much higher level of business and greater stability of rents.

War on Waste

Among the "salaries and expenses of public servants paid from more than one appropriation" in Alberta in the year ended March 31, 1932, there were three cases in which the expenses exceeded the salary. In 1933, the latest year for which figures are available, this had been reduced to two. In both years there were several cases in which the expenses were nearly as large as the salaries.

The very fact that much of the expenditure on expenses has been cut out indicates that it may not have been necessary before. The overworked expense account has been one of the demoralizing influences on some civil services, and one of the unnecessarily high costs of government in Canada.

Howe Sound Declares 75 Cent Dividend

Howe Sound Co. has increased its dividend to an annual basis of $3 per share annually with the declaration of 75 cents per share payable December 30, to shareholders of record December 29. The last disbursement was 25 cents per share paid on October 15, 1933.

Earnings in the last quarter of 1933 are said to be satisfactory, due in part to more favorable exchange rates and lesser degree of inventory sales.

Southern Canada Power Annual Meeting Routine

From Our Own Correspondent

MONTREAL.—The annual meeting of Southern Canada Power Co. was entirely routine. Directors were re-elected and reports approved. Over 72 per cent of the company's voting capital was represented at the meeting.

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Courage, Integrity Carried Fullerton to Top

Rail Czar Tends Own Furnace; Shuns Social Life

By OWEN SEYMOUR

CHARLES PERCY FULLERTON, born Amherst, N.S., age 63 years, his life spent about evenly in eastern and western Canada, lawyer, Appeal Court Judge, Chairman of the Railway Commission—this is the man chosen by the Bennett Government to succeed Sir Henry Thornton as head of the National Railways.

He becomes chairman of the Trustee Board as from the moment of its creation last Saturday and he takes over the responsibility of executive head of the publicly-owned railway on January 1. Forecast for several weeks, the actual appointment does not come as a surprise, but in fact it is one of the most surprising decisions hitherto announced from Ottawa.

The statutory authority for the Board was enacted last session and with its appointment the recommendations of the Duff Transportation Commission may be said to be in full force and effect.

Actual Control of Property

The facts with regard to Mr. Fullerton's power and responsibility will make evident the surprising nature of his appointment. The Trustee Board supplants the National Railways directorate. Unlike the old directorate, the new board is in actual not nominal control of the railway property. There are three members but no decision of the board will be effective unless arrived at by a majority which includes the chairman. The management of the road is under the board which has power to engage or to dismiss all officials, fix their remuneration and limit their jurisdictions.

As chairman of this board, Mr. Fullerton takes charge of a railway system comprising 23,000 miles, operated by 76,600 men and women, grossing from 161 to 312 millions per year, with a debt of close to three billion dollars.

Seemingly Queer Choice

It would appear on its face to be a job for an outstanding business executive; a man with successful experience in large scale industry and finance. Of these there is no dearth in Canada and yet the government deliberately chose a man who, until two years ago, had spent his maturer years in the cloister of the judiciary—an Appeal Court Judge.

Obviously there are potent reasons for Mr. Fullerton's selection. He is relatively unknown to Canadian business men but his background as a lawyer, judge and railway commission chairman reveal him as a man who has the character and the ability to earn *for himself*, in his own peculiar way, a foremost place among the great transportation geniuses of this country.

Future Policy Forecast

From this past record, it is possible to forecast with every confidence the main lines upon which national railway policy will proceed during the next five years. Appointments to the board, incidentally, are for five years and in the interval trustees are removable only upon joint action by the Commons and the Senate. This, in practice, means permanency within the five year limit.

In the first place, the selection by the government of a virtual unknown to take over one of the biggest, if not the biggest, job in Canada, indicates, very strongly, that the Prime Minister and his colleagues believe that Fullerton will succeed. When a government is in doubt, appointees are always men of international or national prominence, whose past achievements justify the selection. But Fullerton's past contains no sensational achievements: to nine out of every ten Canadians he comes as a total stranger.

Day of Visionaries Past

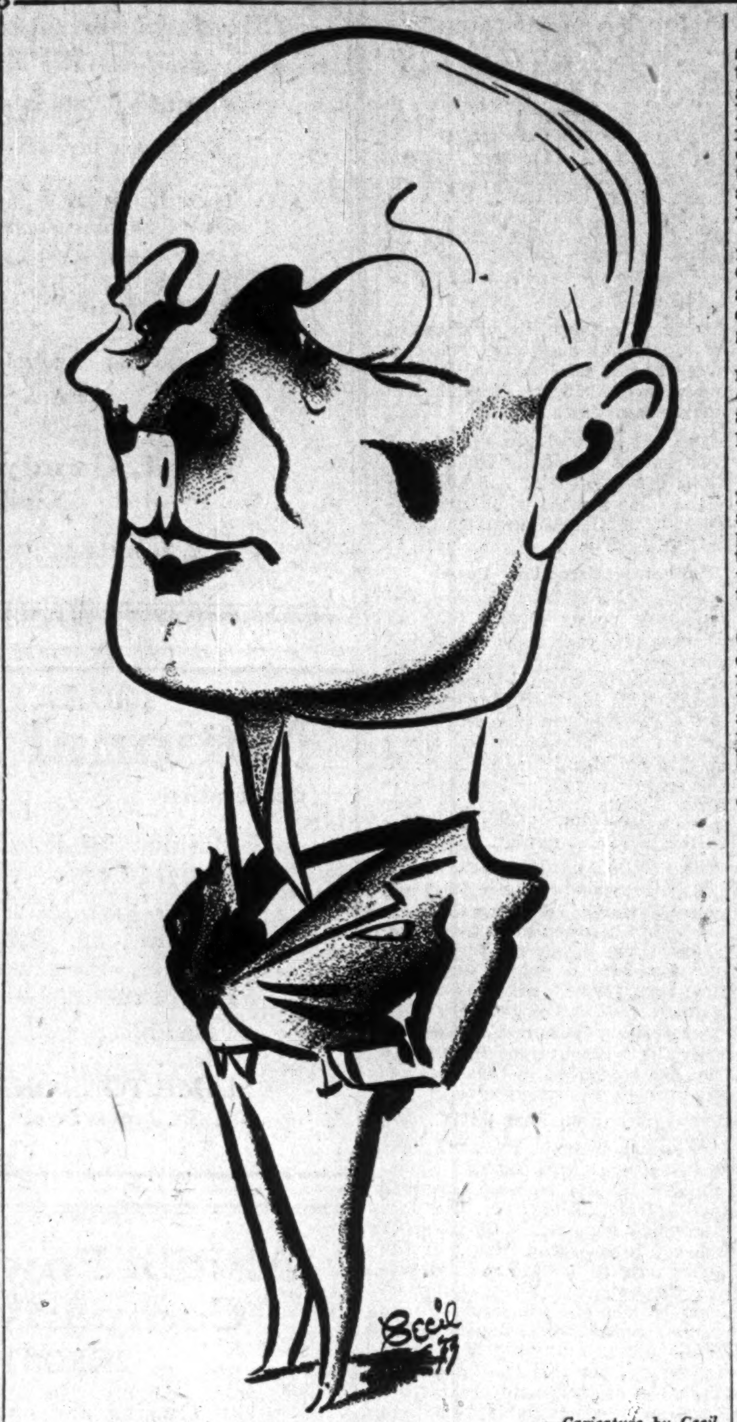
But, more important, his appointment ends the era of railway Empire builders. The realized dreams of Galt, Hincks, Mackenzie, Mann, Thornton and a host of lesser builders, come under the hands of one who is not a visionary nor an "expansionist," but a conservator, an administrator. The day of the so-called business giants, men who scorned detail and lived only to carry into effect vast development projects is past, definitely and completely. The master minds whose desks were always barren of files and papers, who regarded day to day affairs as unbearable humdrum, could have little in common with this man whose desk is always littered with the affairs of the moment and who has always been too busy to learn the "technique" of the pre-depression Field Marshals of Commerce.

Of Fullerton's life story, more later. The part which counts for most in fore-judging his administration of the National Railways, dates from his acceptance in August, 1931, of the chairmanship of the Railway Commission.

Courage and Integrity

These two years have revealed him as a man of unusual courage and of unimpeachable integrity. As head of the Railway Commission he has been utterly fearless in interpreting and applying the law. In addition, he has proved to be a practical man of affairs. Most judges are inclined to take a legalistic view of questions, to avoid the use of what might be called "common sense." Frequently they will not take advantage of discretionary powers, unless compelled by circumstance to do so. Mr. Fullerton's view, as expressed to the writer last week, is this:—"Hard common sense is better than law any day."

This is not to say that Fullerton is not a sound lawyer. Far from it. His record on the bench and as Railway Commission chairman proves that his judgments are sound. At least no one in the past two years (and there have been many important decisions) has cared to carry an appeal to the Supreme Court. And this is a good deal more than can be said for his two predecessors in office.



—Caricature by Cecil.

CHARLES PERCY FULLERTON

Fine Administrative Record

The present high efficiency of the Railway Commission speaks volumes for his administrative ability. Not counting the statutory cuts in civil service salaries, Fullerton pared nearly 20 per cent off the cost of operating the commission. He did this by organizing efficient, systematic control of expenditures; by challenging every cost item that appeared to him unreasonable. The audited accounts of the commission, in this regard, are an eye-opener, and if the Fullerton economy system could be applied throughout the government service from 15 to 20 millions could be saved.

Stationery and Private Cars

There was the matter of the commission stationery office. The practice followed here was identical with other government departments. The storeroom was piled to the ceiling with all manner of supplies (they cost money) and the door was left wide open. There was no attendant, nothing to prevent anyone going in and taking whatever caught his fancy. Stock-takings were unheard of. Today there is a padlock on the door. It has been made a part of someone's duties to fill all requisitions but these must be signed by persons in authority, and every six months the stock is checked over. Requisitions must be produced for all the supplies that have been issued.

Or take the important item of operating the commissioner's private car. The Railway Commission moves about the country almost continuously. The accounts show that the cost of maintaining the chairman's car (no capital or repair items included) was some $4,000 in 1930. If you care to look up the 1932 figures you will find the corresponding item—$500. With Fullerton economy, careful handling of money, is a characteristic bred in the very marrow of the man.

Clear of Politics

As to his courage and integrity it is only necessary to point out, what everyone who has first hand knowledge well knows, that since 1931 the Railway Commission has ceased to be a handy club in the government's golf bag. It has ceased to be a semi-political organization dealing with rates with one eye on the statute and the other on the next general election. It has reverted to the great tradition established by Killam, Mabee and Drayton and with the reversion it has claimed and won the respect and confidence of the railways and the rate paying public.

In enforcing the Railway Act, Chairman Fullerton sought no favors and certainly gave none. He hewed to the line, notwithstanding that some of the chips fell in quarters where great influence and power reside.

Free Passes Curbed

He cut out railway passes for some thousands of dependents of newspaper writers, as well as many hundreds of members of so-called "Press Clubs." The newspaper men didn't like it and told Mr. Fullerton so in no uncertain terms. He cut out passes to the domestic entourage of members of Parliament, creating a storm of protest on Parliament Hill. As from January 1, he is striking the dependents of deputy ministers off the free transportation list and is rapidly whittling down the pass lists of government departments. All this he has done notwithstanding the frequent tips of people who should know:—"Watch your step. They'll break you."

And Fullerton did this without heat or rancor. He did it because the law said it should be done and when he met the delegations who came to him in protest he explained the position in detail and made them like it. The story is important only for that reason. It reveals Fullerton to be one of the comparatively rare men who can say "No" and make you like it.

Compensation is Small

But the real surprise in his appointment to the headship of the National Railways is not so much that it was offered to him, but that he accepted. The salary is reported at $25,000 per year, something less than one fifth of what Sir Henry Thornton drew in salary and perquisites in the latter years of his régime.

Consider these facts. Fullerton had a good salary as an Appeal Court Judge in Manitoba. And the position carried with it retirement at 70 years with a pension of $9,000 or more per year. He came to the Railway Commission at $12,000 but the statute assured him his full pension rights at the expiration of his term. Therefore, Fullerton was certain of $12,000 for ten years and, say, $9,000 for the balance of his life.

He now takes the Trustee Board post at double the salary it is true, but only for five years, and without any pension provisions. He is a strong, vigorous man with 20 years of life reasonably certain, yet he makes this real financial sacrifice.

Preferment Never Sought

The average man will advance several reasons, but only one is acceptable to those who know him best. He has never sought preferment in his life. The judgeship came to him unsolicited; so did the chairmanship of the Railway Commission. He was never an applicant for the Trustee Board. The position sought him. Therefore, you can count out ambition, the desire for high place.

Fullerton is ambitious in the sense of desiring an opportunity for the full exercise of his ability and energy but he is utterly lacking in desire for place and power. Or it may be said he is a good Conservative and will use his position for the advancement of the government's interest. This is nonsensical because Fullerton is not a good Conservative and has had little commerce with political parties either in the past two years or prior to that.

Can Make Contribution

The real reason why Fullerton accepted the position is that he does not care about money. He probably has saved enough to take care of his wants for the balance of his life. And, as will be shown, they are simple wants. The real reason is to be found in his conviction that he can make a contribution to the solution of Canada's greatest problem. That he is thoroughly familiar not only with railway law but with the present position of both the National and the C.P.R., goes without saying. He has not held his post on the commission for nothing. His acceptance, therefore, means that knowing the problem he is confident that he can cope with it.

Principles He Will Follow

What will his attitude be? Fullerton has made no statements, refrained sedulously from discussing the problem. But having regard only for the views he has laid down as chairman of the Railway Commission and by the characteristics he has displayed in his career these things may be predicted with confidence:

1. The management of the National Railways will be absolutely divorced from politics. The system will be run as a transportation company pure and simple and not as an annex to the two old political parties.

2. Every expenditure will be subjected to the most rigid inspection and supervision. Economy of a kind never before apparent in National management will be enforced from the top to the bottom of that organization. This will take time and may involve retirements and dismissals but it will be carried through.

3. Every prospect of saving money by co-operation with the C.P.R., will be carefully explored and if proved sound will be adopted, regardless of protests from the general public or the politicians.

4. The emphasis will be upon making the present plant and equipment operate successfully and not upon additional capital expenditures.

One Test Necessary

In qualification of the above, it may be said that all four will be subjected to the test—will they improve the National Railways as a transportation company? Will they ultimately enhance the value of the publicly owned system.

So far as co-operation with the C.P.R., is concerned Fullerton undoubtedly will be found to be ready to adopt every proposition that is fair and reasonable but, and make no doubt about this, these two conditions will have to be fulfilled.

These things, of course, are much easier said than done. It will take a big man to do them. Granted that Fullerton is a big man, there are certain weaknesses to which many of them are heir. Big men are inclined to be egotistical and often are subject to flattery. They are sometimes socially inclined and while their defences seem impregnable when on the job, they develop grave weaknesses in drawing rooms, exclusive clubs and so on. Many big men are betrayed by their friends, whose petitions they are unable, through loyalty, to resist.

Tends Own Furnace

Measure Fullerton by these tests and he emerges as a still more remarkable man. He has a few friends but not many and those he does possess are not in walks of life which would endanger him as a railway executive in the slightest degree. In his indifference to society he is almost in the category of anti-social. As chairman of the Railway Commission he could cut quite a social swath at Ottawa. But in fact he rented a small house at Rockcliffe and tends his own furnace.

He does not even own an automobile so far as the writer can learn.

Walking is one of his three recreations. He walks two miles to his office every morning and two miles home. You can search the Rideau Club at Ottawa any day and you will not find him. Occasionally he will be among the guests at Rideau Hall and at other social functions, but these appearances are so rare that it is obvious he attends from a sense of duty rather than from desire. When he finishes his day's work, Fullerton walks home and stays there. He spends at least five nights in the week at home and one of the subjects upon which he is particularly eloquent is how to get the best out of Scotch anthracite.

Overalls in Summer

In summer time he is to be seen almost every day in his garden, clad in overalls and delving vigorously among his perennials. He cuts his own grass and trims his own hedges. You see, with him it is a labor of love.

Apart from walking and gardening he gets relaxation from reading. There was a time when he read novels and biographies in great number but the demands of work in recent years have left him time for only current readings. He is a subscriber to several of the leading Canadian dailies and, in addition, he reads "Times" and the New York Times.

From this it is apparent that Fullerton's scheme of life is very simple. He works hard and apart from work he is in his home.

His political affiliations are of the slenderest. He is a Conservative but his services to the party have consisted of an unsuccessful venture as a candidate in a rural seat in a Manitoba election many years ago, and of a public assault on the Norris Government in 1916. His charges against Norris were not substantiated but no one doubted his sincerity and his friendship with Norris was never impaired. They are, today, colleagues on the Railway Commission and their esteem for each other is mutual.

Contrary to popular opinion, Fullerton is not a personal friend of Premier Bennett. He first met the present prime minister at Dalhousie University many years ago. Fullerton was a freshman; Bennett was in his third year. Their intercourse, naturally, was limited.

Bennett and Fullerton

Bennett went to Calgary and rapidly became an outstanding public man. Fullerton went to Winnipeg and rapidly became an outstanding lawyer and later a judge. Bennett knew Fullerton through his law practice and his court judgments and not through personal contact. They met a second time, briefly, in a Canadian bank at London. This was about 1913.

The next words exchanged between them were in the summer of 1931 when Bennett telephoned long

(Continued on page 5)

It Is Our Firm Policy

It is our firm policy to strive to render to all clients a very high standard of business and financial service and at the same time to render an equally good personal service to beneficiaries.

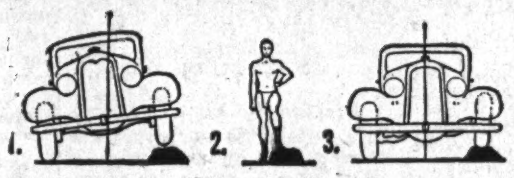
Crown Trust Company
393 ST. JAMES STREET • MONTREAL
LET US SERVE YOU AND YOUR FAMILY

Continuing a Tradition of Excellence

We are proud to present the 1934 models of McLaughlin-Buick, "Canada's Standard Car" In offering the "floating ride with knee-action front wheels", it is fitting that McLaughlin-Buick, bearing the name of the founder of this company, should be the car to introduce another revolutionary engineering advancement which will be a feature of General Motors lines in the coming year. McLaughlin-Buick has always been the first to be associated with milestones of automotive progress. Now, in introducing "knee-action front wheels", McLaughlin-Buick will give all who drive the 1934 models a new conception of riding comfort.

McLaughlin Motor Car Company, Limited

Announcing the NEW McLAUGHLIN-BUICKS pioneering A FLOATING RIDE



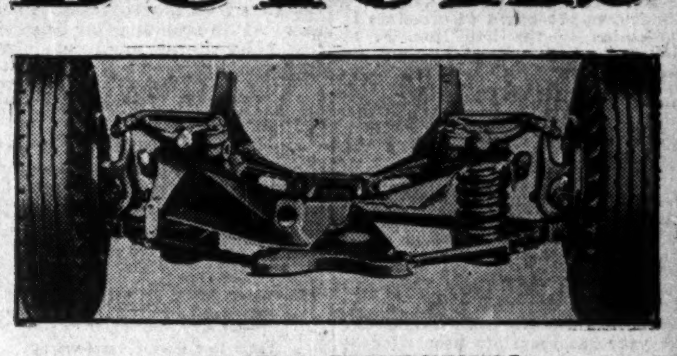
(1) *Your present car—front springs rigidly joined by an I-beam axle. When you hit a bump the front of the car* bounces. (2) *A man* steps over *a bump. No jar—because the knee bends freely.* (3) *Now, 1934—each front wheel of the new McLaughlin-Buick, on its own soft, coil spring, rises and falls like a knee to absorb the shocks, the car gliding steadily on.*

"ABOLISH jar and bump and bounce from tomorrow's motor ride," urged more than 60,000 Canadians in response to General Motors' "Customer Research" questionnaires. So, the 1934 McLaughlin-Buick gives you, for the first time, A FLOATING RIDE.

Glance at the diagram above. It tells you just how Knee-Action Front Wheels enable the car to *step over* every bump and pot-hole in the road—ending forever the pitching and jolting of the ordinary motor ride.

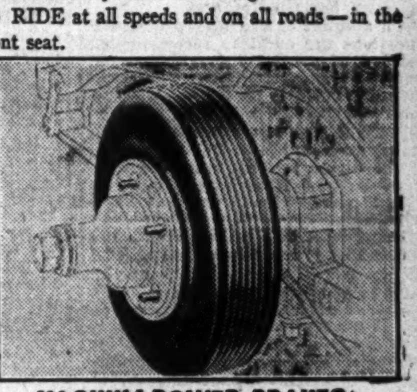
Your very first mile of travel will tell you what a revolutionary advance has been made. It will show you, too, how new and pace-setting the 1934 McLaughlin-Buick is in other great ways. . . *Vacuum-Power Brakes*, for example. . . *Air Cushion Tires*, softer and safer, with little more than half the air pressure of conventional balloons. . . New, dash-controlled *Octane Selector*. . . *Completely Automatic Starting*, now you just touch the accelerator treadle, and the McLaughlin-Buick Straight Eight engine does the rest. . . *All-Silent Syncro-Mesh Transmission*, with every gear helical-cut for quiet operation. . . *Sturdier, Roomier, Smarter Bodies by Fisher*, featuring satin-finished chrome plating, longer V-type radiator, longer hood and deeper fenders, wind-streamed rear design and larger interiors, upholstered mostly in quality whipcords. . . *Improved Fisher Ventilation*, now even more effective in preventing drafts and cloudy windshields.

SEE the new McLaughlin-Buicks this very day! With Knee-Action Front Wheels to give you a truly FLOATING RIDE, and Fisher Ventilation to banish drafts—you will agree: AGAIN there is a better automobile . . . and *again* McLaughlin-Buick is building it.



KNEE-ACTION FRONT WHEELS

With the new Sway Stabilizer and Centre-Point Steering, Knee-Action Front Wheels banish pitching, swaying and vibrations set up by uneven, chuck-holed roads. In addition, wheel shimmy and "wandering" are eliminated. You now get a FLOATING RIDE at all speeds and on all roads—in the back seat as well as the front seat.

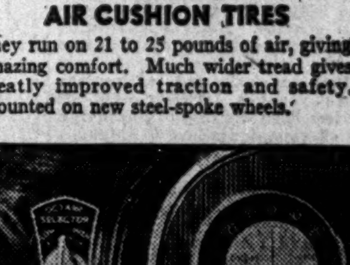


VACUUM-POWER BRAKES

Vacuum-controlled to give a smooth, silent stop with only one-third the former pedal pressure. Longer brake life . . . you get more mileage between adjustments.

AIR CUSHION TIRES

They run on 21 to 25 pounds of air, giving amazing comfort. Much wider tread gives greatly improved traction and safety. Mounted on new steel-spoke wheels.



NEW OCTANE SELECTOR

A simple dashboard adjustment made as you fill up with gasoline insures maximum power and economy, *without knock*, no matter what type or grade of fuel you use.

STURDIER ROOMIER FISHER BODIES

WITH IMPROVED FISHER VENTILATION

M-148

● THERE IS A McLAUGHLIN-BUICK DEALER NEAR YOU TO SERVE YOU

Utilities and Transportation

CANAD'N MARCONI OPERATES AT LOSS OVER 1932 PERIOD

Expect to Have Better Statement on 1933 Operations

From Our Own Correspondent

MONTREAL. — Canadian Marconi Co.'s financial statement for 1932 shows an operating loss of $56,618, compared with a profit of $136,078 in the previous year.

The long delay in the presentation of the report and the holding of the annual meeting is attributed by the president to protracted negotiations with Imperial and International Communications Ltd. and the expectation that these would result in a definite settlement before the end of the year. Such was not the case and the management decided it could no longer hold up publications of the company's accounts.

Bad Year in 1932

Conditions in 1932 were substantially worse than in 1931. On the manufacturing side the volume of business declined by more than 50 per cent, while on the traffic side revenues approximated those of 1931. During the current year, according to a statement made at the meeting, earnings were on a better basis, but details were not given as complete accounts were not yet prepared.

Following are comparative income accounts for the past three years:

	1932	1931	1930
	$	$	$
Net revenue..	*56,618	136,078	289,057
Deprec.	131,467	234,729	228,740
Balance	‡188,086	‡98,651	60,317
Pat. write-off	......	......	46,875
Surplus	‡188,086	‡98,651	13,442
Prev. surp. ..	359,163	457,814	444,373
	171,077	359,163	457,815
Doubtful deb..	50,000	......	......
P. & L. bal. ..	121,077	359,163	457,815

*Deficit for year after taking into consideration revenue of $93,125 from associated companies.
‡Debit.

Working Capital Position

	1932	1931	1930
	$	$	$
Curr. assets ..	1,435,224	1,486,351	1,420,222
Curr. liabs. ..	357,678	184,111	218,551
Work. cap. ..	1,077,546	1,302,210	1,201,671

Show Bank Overdraft

Principal change among the liabilities on the balance sheet is the appearance of a bank overdraft for $251,652. Accounts payable have been reduced nearly $80,000. An outstanding mortgage of $50,535 remains unchanged, as does the amount standing opposite the capital stock. Surplus has been decoined from $359,162 to $121,076.

Assets, which total $5,083,972, show little change from the previous year when they totalled $5,148,492. The principal change is the heavy increase in inventories—from $458,618 to $694,408.

At the meeting shareholders elected Albert H. Ginman, general manager of Marconi Wireless Telegraph Co. of London, to the board of directors in succession to the late Hon. F. G. Kellaway. Other directors were re-elected.

Comments on Operations

In his remarks to the shareholders, which accompany the report, Sir Joseph Flavelle, president, had the following to say in part:

"The properties and equipment were fully maintained during the year and are in first class working condition. For this reason your directors consider that in view of the substantial provision for depreciation made in past years the rates then applied can now safely be reduced. The depreciation provision for the year has therefore been fixed at $131,467.72 as compared with $234,729.62 for the previous year. In the final result a loss of $188,085.96 is shown, after providing for depreciation, as compared with $98,651.29 for 1931.

Set Up Reserves

"On account of the very poor trade conditions the auditors recommended that special provision should be made against bad debts. An additional amount of $50,000 (in addition to the usual reserve) has therefore been set aside for this purpose out of the company's accumulated surplus.

"The direct telephone service with Great Britain which is carried on by your company and the Bell Telephone Company on this side and the British Post Office on the other side is working very satisfactorily. The receipts are small at present as the traffic is not large, but there is every hope that they will increase as general business conditions improve, while your company feels that in working for and eventually obtaining the establishment of this direct service, it has, in conjunction with the Bell Telephone Company, performed a substantial public service to Canada."

Canadian Motor Firms Find Market in S. Africa

Sales of motor cars in South Africa have shown a sharp upward movement in the current year according to Canadian Gazette and Export Trader. Sales of motor cars in June are reported at 1,052 as compared with 563 in June, 1932, while sales of motor lorries and busses are up to 108 from 78. Canadian companies have had a big share of this business due in part to the fact that Canadian companies own several constructing and erecting establishments at Port Elizabeth and many motor and lorry chassis are imported from assembling at these works.

In the ten years to December, 1932, Canada sent 27,706 cars to the South African market. Due to the large extent of the country and its sparse population motor cars are largely used for transport and during the last two years a large amount of money has been devoted to improving means of communication throughout the provinces of the Union. It is stated that nearly every village not immediately adjacent to the railway has a motor service and practically all the old post carts have been replaced by motor mails. Cost of gasoline is high and tends to reduce the number of agricultural tractors in use. These numbered 3,684 in 1932. Price of petrol in Rhodesia is from 2s. 9d. to 3s. per gallon. Power paraffin is sold at 1s. 4d. per gallon in quantities in the Central Transvaal and crude oil at about 11d.

Public Utility Earnings

Brazilian Traction

November:	1933	1932	Decrease
	$	$	$
Gr. earn...	2,412,866	2,189,356	*223,510
Oper. exp...	1,109,322	961,875	*147,447
Net earn...	1,303,544	1,227,481	*76,063
Eleven mos. end. Nov. 30:			
Gr. earn. ..	26,262,881	27,126,709	863,828
Oper. exp. ..	11,820,077	11,516,467	*303,610
Net earn...	14,442,804	15,610,242	1,167,438

*Increase.

Electric Output At New High in November

Central electric stations in Canada created a new high record for the industry by producing 1,702,558,000 kilowatt hours during November, or a daily average output of 56,751,000 kilowatt hours. The previous record was a daily average of 53,390,000 kilowatt hours produced in November 1929.

The export to the United States averaged 3,549,000 kilowatt hours in November 1933 and 4,134,000 kilowatt hours in 1929. Consequently the consumption in Canada, including line losses, was 53,202,000 kilowatt hours in 1933 and 49,256,000 in 1929, or an increase this year of eight per cent.

This increase was all in electricity produced for electric boilers which amounted to a daily average of 12,519,000 kilowatt hours in November 1933 and 6,260,000 in November 1929. Compared with November 1932 data, the total output for November 1933 was larger by 17.6 per cent, exports were increased by 204.1 per cent, output less exports were 12.9 per cent larger, and output, less exports and electricity used in electric boilers, was 6.7 per cent larger.

STEEL OF CANADA VOLUME OF SALES MOVES FORWARD

Business of Late Has Been Ahead of Same Period in 1932

From Our Own Correspondent

MONTREAL.—Ross H. McMaster, president, reports that Steel Co. of Canada's business in the last six months has recorded a substantial gain over the first half of the year, while in recent months there has been a distinct improvement over the corresponding period of 1932.

November was one of the best months experienced by the company in some considerable time. The relatively low level of construction has provided the company with little output of durables, that is in the direction of capital expenditures, but in other directions the gain has been satisfactory. Trade has shown signs of slowing down recently, but that is regarded by Mr. McMaster as seasonable. On the whole, the immediate outlook has reasonably improved.

Earnings May be Less

There is no official intimation of the trend of earnings for 1933. It is to be expected, however, that the income account this year will not be as large as that reported in 1932. In that year the company had net earnings from all sources of $1,834,813. After providing for depreciation, bond interest and bond sinking fund, there remained $217,426 available for dividends on the capital stock. This was almost exactly half of the preferred dividend.

Since the end of the 1932 year the company has paid the regular dividends on the preferred stock, but has reduced the payment on the common stock from $1.75 to $1.20 a share annually.

Wabana Ore Exports Register Gain Over 1932

From Our Own Correspondent

MONTREAL.—Iron ore shipments from Dominion Steel and Coal Corp's. Wabana Mine on Bell Island totalled 227,128 tons during the 1933 shipping season. This was 68,643 tons better than last season. Of the total exports, 209,252 tons went to Germany and the balance to England. Included in the figures are two cargoes of 17,950 tons which were lost in transit.

Ordinarily large quantities of Wabana ore are shipped to Sydney to be used in the Dosco's steel mill. As large reserves had been accumulated at that point, no shipments were made during 1933.

With the settled conditions in Germany, the reduction in ore piles at Sydney, the hope that United Kingdom will increase its consumption and possible recovery of the United States by next spring, there are prospects of increased shipments of iron ore next year. This is particularly so in the case of Sydney which under more normal conditions consumed around 500,000 tons of ore per annum.

Dominion Glass Co. Sales Show Betterment

From Our Own Correspondent

MONTREAL. — Sales of Dominion Glass are a little better during the current fiscal year, according to a statement made by Sir Charles Gordon, president, at the annual meeting of shareholders, though it is still too early yet to say whether the company will earn the full dividend during 1933-34.

George Lydiatt, of Vancouver, was elected a director filling the vacancy caused by the death of F. G. Daniels. Mr. Lydiatt, president of one of the company's subsidiary companies, has been connected with the glass business for a number of years. Other directors were re-elected without change.

Immigration Figures Show Decrease of 32 p.c.

Immigrants arriving in Canada during October numbered 1,390 as compared with 1,438 in September and a monthly average of 1,250 in the ten months ended October 31. Of the October total, 715 entered from the United States, while 675 entered through ocean ports of which 237 were British and 438 were from other countries. The latter figure is the largest for any month in the current year.

In the ten months ended October 31, 1933, 2,024 immigrants entered from Great Britain, a decrease of 33.2 per cent from the corresponding period of 1932. The number entering from the United States of 7,549 represented a decrease of 38.5 and immigrants to the number of 571 representing northern European races, represented a decrease of 30.7 per cent. As compared with the number entering in the first ten months of 1932 there has been a decrease in immigration of 32 per cent.

Trade With Japan

Japan's total trade with Canada for the first nine months of 1933 was valued at 39,823,076 yen as compared with 36,650,225 yen in the 1932 period, an increase of 3,172,851 yen. Exports to Canada were valued at 4,534,324 yen as against 6,337,056 yen, a decrease of 1,802,732 yen; imports from Canada were valued at 35,288,752 yen as against 30,313,169 yen, an increase of 4,975,583 yen.

CANADIAN CAR PROSPECTS UP SAYS BUTLER

Particulars of German Claim Outlined at Meeting

From Our Own Correspondent

MONTREAL.—A more optimistic outlook for Canadian Car and Foundry Co. was expressed by W. W. Butler, president, at the annual meeting of shareholders. He pointed out that the company had received no orders from the two railway systems in the last three years and that in 1933 the amount of business handled was only 10 per cent of the company's 20-year average.

Railway buying cannot be far off, said Mr. Butler, and he went on to say that he expected a substantial volume of business for parts required in repairs to existing equipment.

Details of Claim

It was brought out during the meeting that the company's German claim totals $6,000,000, while interest would swell the total to about $12,000,000 gross. It was further indicated that if the company were to realize the whole claim the net amount realized by the company would be approximately $7,500,000.

Referring to this claim, Mr. Butler said in part:

"Germany protested that the Commission had not the right to reopen the case once decided, but the Commission ordered evidence to be filed, reserving their decision on the right of the Commission to reopen until the adequacy of the evidence had been established.

"The situation was maintained even after the cases were dismissed a year ago, the court while admitting that The Hague decision had been influenced by false and fabricated evidence filed by Germany in 1930, still declared that the other evidence submitted by the United States was insufficient to justify a decision that the destruction of the Black Tom terminal and the Kingsland Plant had been effected by the agents of Germany.

U. S. Charges Fraud

"Following the decision of a year ago the United States again filed a petition for rehearing, charging fraud and misrepresentation on the part of Germany in her successful efforts to have the Commission disregard evidence of a decisive character, and in particular one document which, the Umpire stated, is alone sufficient, if genuine, to compel a decision for the United States in both claims.

"Germany maintained her position that the Commission had no right to reopen a case once decided, regardless of whether fraud or misrepresentation or perjury had been committed, and the recent decision of December 15, 1933, by the Umpire, definitely reopening these cases, was made over the vigorous protest of the German Government.

"The Umpire has referred the cases back to the two Commissioners, and in the event of a disagreement between these two Commissioners, the evidence will be certified to the Umpire for the decision on the merits of the claims as revealed by the evidence now available.

Build Up Case

"Since July of this year, the United States Government has examined numerous witnesses, previously unavailable to us, and much valuable evidence has been secured, much of it documentary corroborating our claims, and revealing further perjury by German witnesses in an attempt to avoid liability for these claims.

"It is interesting to note that the United States Commissioner, Hon. Chandler P. Anderson, who voted for dismissal of the claims at The Hague in 1930, voted in favor of the United States at the hearing of a year ago. After the claims had been dismissed by the Umpire, Mr. Anderson filed a separate dissenting opinion declaring that the Kingsland Claim had been adequately proven."

B. C. ELECTRIC WAGE DISPUTE INVESTIGATION

President and Commissioner Differ on Bearing of Dividend Payments

From Our Own Correspondent

VANCOUVER.—Argument between W. G. Murrin, president of B. C. Electric Railway, and Dr. Lyle Telford, one of the commissioners, featured the closing session of the enquiry into the company's wage dispute with its employees.

Dr. Telford, who was an unsuccessful C.C.F. candidate at the recent provincial election, wanted to know the actual cash investment in the B. C. Electric. He said that if the company was paying interest on "watered stock" the employees could not fairly be asked to make a sacrifice for the sake of indiscreet investors.

Mr. Murrin contended that the question of a reasonable return to shareholders was too big a question to be discussed by the present conciliation board. It would require the services of a commission for months, perhaps years, he said.

Resist Wage Reduction

Employees of the traction division of the B. C. Electric are resisting a 10 per cent wage reduction. Judge J. N. Ellis, chairman, has promised an early decision.

Dr. Telford sought information as to the actual income and expenditures of the company over the past ten years. He enquired about the disbursement of profits, payment of wages, salaries and retaining fees and the difference between the actual cash investment in the company and the market value.

The only proper basis is the value of the property available to the public for services, said Mr. Murrin. The average return allowed by more than a hundred commissions, he added, was seven per cent. "I say—and you must take my word for it—the value of our property is well worth over $100,000,000," said Mr. Murrin, who added that the highest amount ever paid in to the company's bond and shareholders in any year was $4,500,000, which was 4½ per cent. Vancouver city bonds paid 6 per cent.

"There has been a great deal of public misconception over this matter, but I can say that our shareholders have never received a return commensurate with what they would be allowed by a commission. Net earnings of the company last year were only $4,036,000, and Class A shareholders in the B. C. Power Corporation have taken a reduction of 25 per cent in dividends, a bigger sacrifice than the men."

Newsprint Manufacturers' Hopes in Next 12 Months Hold Out Better Prospects

Improvement in Demand Since July Last Likely to be Maintained During First Half of 1934

PRODUCERS MANOEUVRE FOR LEAD

Further Difficulties May Crop Up in Working Out Co-operative Plans Between Canadian and American Mills Under Newsprint Code

From Our Own Correspondent

MONTREAL. — Canadian newsprint manufacturers have passed through a hectic year—a year which saw the threatened breakdown in marketing arrangements, further financial troubles for the individual operators, the introduction of the National Recovery Act in the States and the promise of developments being carried to a point where the industry would again be put on a stabilized basis.

Around the middle of the year the long decline in newsprint consumption was checked. During the last six months there was a marked improvement in demand and production for the full year was nearly 100,000 tons in excess of that reported for 1932.

With such an encouraging increase in demand, it would appear that the newsprint manufacturers had overcome their greatest problem. This was not the case, for both the Canadian and American industries continue to be burdened with an excess of capacity, the carrying costs of which have put three-quarters of the operators into the hands of the receiver or necessitated a capital reorganization.

As demand improved the eagerness for additional business caused individual producers to make further price concessions to the publishers. In certain cases newsprint was offered at a price which would not possibly permit of profitable operations without a substantial gain in operating ratio. Each company defended its own position and for a time it appeared that the long-threatened price war would come out in the open.

N.R.A. Holds Price Cutting

Many of the manufacturers accepted newsprint contracts under the official figure of $40 a ton for New York and Chicago delivery. The price dropped as low as $30 a ton delivered.

Further price cuts were in prospect when the Roosevelt administration started its N.R.A. policy. Legal recognition of "trusts" or combines opened the way for many industries, including newsprint, to band together and place their house in order.

Set Up Newsprint Code

American newsprint manufacturers held several meetings and then formed the Association of American Newsprint Manufacturers. This organization, representing all the American newsprint producers, drew up a code for submission to Washington.

This code, among other things, provided for certain standard practices in the conduct of business and a minimum price of $40 a ton for New York and Chicago deliveries, with zone differentials in other areas.

Need Canadian Co-operation

For the past several years the United States producers have been supplying about one-third of the domestic market. The balance, with the exception of a small amount from Europe, has been supplied from Canada. With the Dominion supplying between 55 and 60 per cent of the United States newsprint requirements, it is obvious that the American Newsprint Code could not be made effective without the co-operation of the Canadian manufacturers.

General Hugh S. Johnson, administrator of the N.R.A., called a meeting of the American and Canadian manufacturers with a view to securing co-operation. Following this conference the Canadian producers decided to form an association to co-operate in carrying out the terms of the newsprint code.

Decision Not Unanimous

This decision to co-operate was not unanimous by any means, a number of the companies maintaining that they could not afford to tie themselves up to an agreement resulting in maintaining a stabilized market for the benefit of those producers fortunate enough to have a large tonnage.

In order to overcome this objection it was proposed to establish a newsprint pool of 50,000 tons, of which 25,000 tons would be given to Price Bros. and Co., 20,000 tons to St. Lawrence Corp. and the balance to Donnacona Paper Co.

Protect Own Position

Canadian producers' desire to cooperate with the American manufacturers under the terms of the N.R.A. code is not due to any particular desire to improve the lot of the United States companies, but rather to protect their own position in their largest market. Under the terms of the N.R.A. the President has the power to impose a duty, or bar imports from another country if such imports threaten to impair the workings of any particular code.

As long as newsprint is permitted free entry into the United States, the Canadian mills are in a favorable position to compete for the American newsprint trade. The imposition of a duty or a quota on imports would be a serious handicap to the industry, hence the desirability of co-operating with the American mills.

Want All Benefits

On the other hand, the American mills, at least a goodly number, have regarded the N.R.A. code as a means of securing sufficient business to run their plants at capacity. As long as the competitive position between the Canadian and American mills remains unchanged, it is unlikely that mill operations in the States will reach capacity for a long time to come.

Two phases of the efforts to establish stabilized conditions in the newsprint trade have stood out. First is the desire of the more powerful interests in the American trade to keep the Canadian producers in line—in other words, have them live up to the terms of the code by adhering to the price schedule and standards of practice. The other is the move on the part of some American mills to secure a larger share of the business offering through imposing some form of restriction on Canadian imports.

Bond All Imports

At the beginning of December, the United States Government issued an order halting all imports of Canadian newsprint into the United States because of the belief that one small Western producer had been selling newsprint below the code standard. The Government demanded that the Canadian mills put up a bond to the value of the shipments so that if investigation showed the paper was sold below the official price, a tax would be charged and deducted from the bond.

Seen As Threat

In some quarters it is believed that this step was taken by the Government not as a measure to impede or restrict trade, but solely to convince the Canadian producers that the United States Government was determined to have the Canadian mills observe the price schedule established under the newsprint code.

Many Canadian operators are in favor of bonding newsprint. They believe that this will go a long way toward eliminating the price cutting by small or hard-pressed companies, which has threatened to bring about a collapse of the industry. Putting up a bond does not entail hardship. At the same time it gives the Government a hold over the producer and should have the tendency to keep him in line.

Some Want Tariff

The second phase of the newsprint situation is of a more intangible nature. The N.R.A. was designed with a view to increasing employment and the buying power of the worker. Without a larger share of the business United States newsprint mills cannot contribute their share of increased employment and wages. A very subtle form of propaganda has already been initiated to show that if a duty was placed on Canadian imports, the American mills would be in a better position to compete for business and thus increase their operations.

In other times no manufacturer would suggest a duty on newsprint imports because of the power of the press. The change in sentiment of the public and the United States administration has opened the way for suggesting a tax on newsprint imports.

Coming Into the Open

This form of propaganda has not made particular headway up to date, but it is noted that American producers are showing less hesitancy in coming out for an import duty, while, in some cases, their arguments have been backed up by the press.

It is unlikely that American newspaper publishers will back down from the stand they have taken over the past twenty years. A tax on newsprint imports would add considerably to their costs. And as very few are operating in the black an increase in costs of their principal raw material would be met with strenuous objections. Further, it is unlikely that the Administration would sponsor or back such a move, as it is vitally necessary to the Roosevelt Government that it retain the goodwill of the press, especially at this time when its policies are openly attacked.

Trend is Uncertain

It is difficult to forecast what the trend of conditions will be in the Canadian and American newsprint industry over the next six months. Newsprint consumption is likely to be greater. Mill operations will increase. Marketing, while held in hand, will pursue a somewhat uncertain course. The latter may not be a serious factor if the increase in business permits of a wider distribution of tonnage.

EXTEND CAR YEAR IN SASKATCHEWAN

May Increase Winter Motoring — Alberta May Follow Lead

Saskatchewan motorists have been granted a free extension of motor licenses until March 1, 1934, according to recent announcement by Hon. M. A. MacPherson, provincial treasurer. Legislation will soon be introduced to change the license year to run 12 months from March 1 or March 31, it is understood.

This follows the practice of previous years when licenses were extended, but is new to the extent that the official license year is expected to be changed. The underlying idea is that the change in the year will lead to more winter driving and benefit gasoline sales and taxes, and business generally. Then when balmy spring breezes start to blow the motorist will renew his license, because of the added attractions of the season.

The lead given by Saskatchewan in the proposal to change the license year may now be followed by Alberta, it is reported. The Alberta government has the matter under consideration, and has been petitioned by thousands of motorists to change the license period.

POWER OUTPUT OF SHAWINIGAN SETS NEW MARK

Increase of Secondary Sales Contributing Factor

From Our Own Correspondent

MONTREAL.—Electric energy generated and purchased by Shawinigan Water and Power Co. from the beginning of the year to the end of November registered an increase of 19.69 per cent over that reported for the corresponding period of 1932.

Output last month aggregated 356,135,905 kw.h., which compares with 354,546,862 kw.h. in October and with 329,015,090 kw.h. in November last year.

For the first eleven months of 1933 output totalled 3,540,636,969 kw.h., compared with 2,958,012,033 in the same months of 1932, an increase of 582,624,936 kw.h., or practically 20 per cent.

Feature Secondary Power

While sales of both primary and secondary power have shown an increase this year, most of the improvement is attributed to the greater distribution of secondary power. This has been largely due to the growing use of electric boilers for the production of steam used in newsprint manufacture. At the same time other industries in Shawinigan's territory have been more active and added their share to the increased output.

The figures on production should not be regarded as reflecting revenue. Normally there is a close relationship between output and revenues of the power companies. But the increase in output and sales has been largely due, as already pointed out, to the growth in use of secondary power. For this energy the company receives a small revenue compared to that received for firm or primary power.

Income on Fair Basis

While in a sense revenues have not kept pace with output, Shawinigan's income position for 1933 is relatively satisfactory. One factor which has worked in favor of the company is the lifting of the heavy burden imposed on the treasury through paying a premium on the purchase of U. S. funds to take care of bond interest requirements. While the company did not escape scot-free from this charge during 1933, the amount paid out in premium was considerably less than that shown in the accounts for 1932.

If the exchange situation holds favorable during 1934, Shawinigan will benefit materially especially as regards earnings on the common stock. At one time the payment of premium in purchase of U.S. funds amounted to over 40 cents a share on the capital stock. With this charge eliminated during the forthcoming year, the company stands a good chance of improving its share earnings without any material change in sales of energy.

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These Bonds are a joint and several obligation of all constituent municipalities of the Commission. Principal and interest are payable from taxes against the area which includes the City of Montreal.

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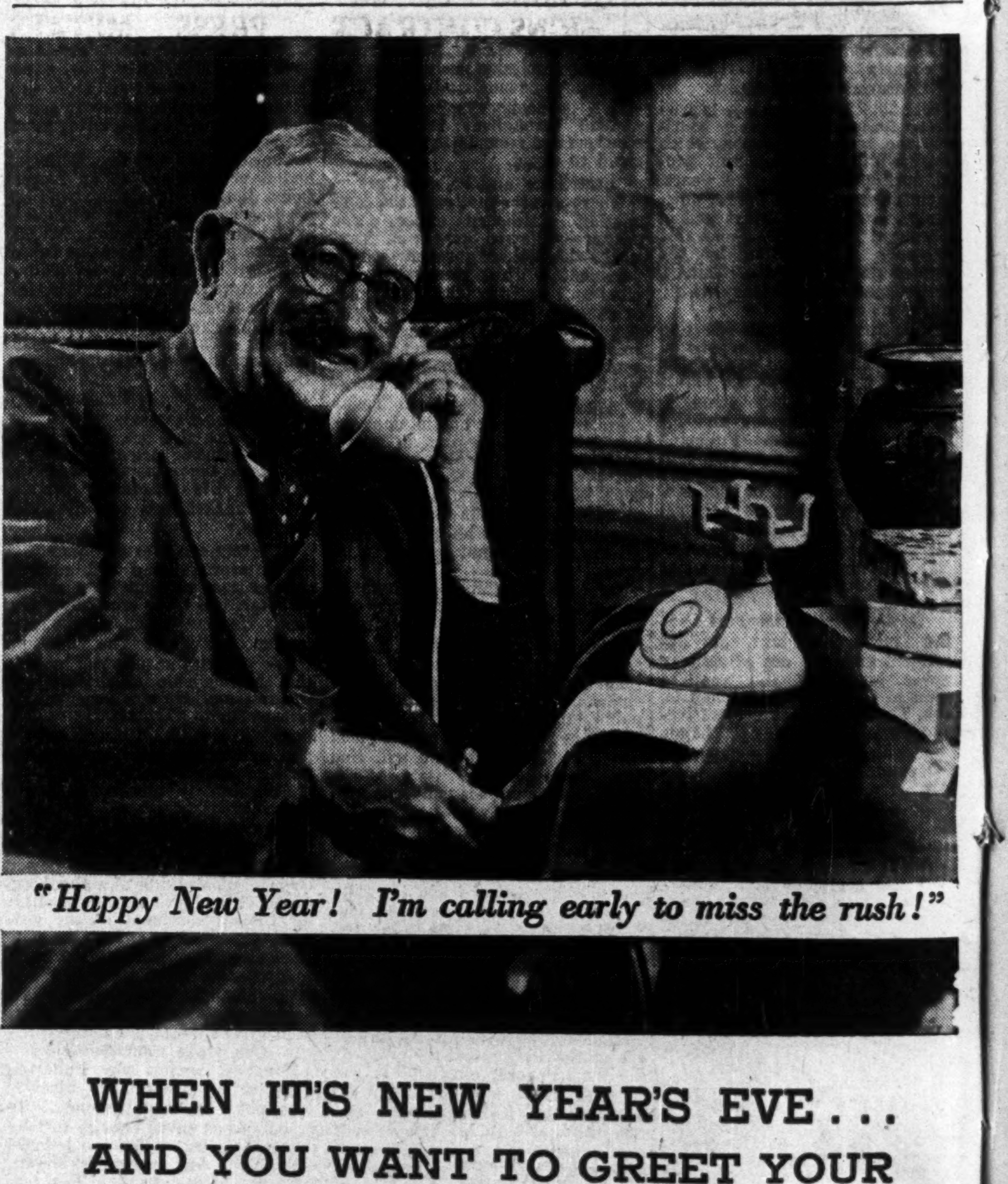

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W. J. CAIRNS,
Manager.

News of Investment Markets

BOND MARKETS FIRM BUT QUIET; WESTERNS UP

Usual Dullness of Christmas Season Affected Trading

Canadian bond markets were firm but inactive in the holiday week ended Dec. 26. Gilt-edged issues were steady at prices slightly better than those of the preceding week. Corporation issues showed only minor changes, with a slight majority of advances. Western provincials regained from fractions to two points of their losses of the last two months. These issues have still to rise substantially, if they are to get back to the levels of October.

Since the American dollar returned to approximately par in Canada, pressure has been lifted from the gilt-edged Canadian issues. But quotations are still well below the levels prevailing before the sharp rise of Canadian currency in November. Because of the usual sluggishness associated with the holiday season it is difficult to determine the real trend of the market.

The recent unfavorable publicity given the involved financial affairs of the western provinces may have had adverse effects on Dominion, eastern provincial and C. N. R. issues. But other factors such as exchange, have apparently been more important. It is, therefore, not clear what effects the western agitation for refunding would have had, if this had been the only complication.

Position in West

Investors appear to have been making enquiries of dealers about western provincial bonds. So far, the western economic situation appears to be much the same as in August. Farmers' returns have not been good because of the small crop. The provinces are still in debt to the Dominion for slightly over $40,000,000. Budgets are still unbalanced, although substantial reductions in expenditures have been continued.

The new factors have been the rise of the Canadian dollar, bringing American pressure, and the agitation originating with the Liberal government in British Columbia for refunding of the funded debt of the four western provinces, Manitoba, Saskatchewan, Alberta and British Columbia. Some important creditor opinion is to the effect that either the west must get more for its products, or the debts may have to be refunded. In the meantime matters are being allowed to develop themselves. In financial circles some close study is being made of the situation, but nothing of an acute nature is expected to materialize for the moment.

Yields on gilt-edged bonds have had the following trend:

Average Yield on Seven Canadian High-Grade Bonds

	%		%
Dec. 26	4.549	Dec. 19	4.547
Dec. 22	4.546	Dec. 18	4.550
Dec. 21	4.544	Dec. 16	4.553
Dec. 20	4.545	Nov. 30	4.557

Pacific Coast Terminals Deal in New Westminster Argued

City of New Westminster, B.C., has made a claim against the trustees for Pacific Coast Terminals first mortgage bonds for reimbursement for funds advanced to meet second mortgage charges for the terminal company, it is understood. Montreal Trust Company, trustee for the first mortgage bonds, has taken action to see whether it should reimburse the city for interest payments made on the second mortgage bonds.

New Westminster guaranteed interest on $300,000 second mortgage bonds of Pacific Coast Terminals, and has been required to pay $21,000 on this account, it is stated. The first mortgage bond issue of $1,500,000 is in default.

The city, it is understood, has threatened to cancel a special assessment of $5,000 against the property of the terminal company unless it is reimbursed for second mortgage interest. If the property were fully assessed, it is claimed taxes paid by the company might increase from about $400 to about $20,000 per annum.

Again to Slash Windsor Budget 1934 Prospect

Next year's budget for the City of Windsor will be considerably smaller than the 1933 budget, The Financial Post is informed. The fact that the supervisors failed to approve payment of any of the city's defaulted interest this year is taken as a fairly good indication that the city's finances are still considered unsatisfactory by the board.

Tax collections are reported to be considerably short of the 65 per cent anticipated. It appears to be fairly well agreed by creditors that the collections represent about as much as the citizens of Windsor are able to pay. On the assumption that the people cannot have what they cannot pay for, it is likely that the budget will again have to be pared down. Some municipal departments, notably the Board of Education, have applied for larger appropriation for 1934, but are considered to have a poor chance of getting it.

Montreal Stock Exchanges Appoint Consulting Auditor

From Our Own Correspondent

MONTREAL. — Montreal Stock Exchange and Montreal Curb Market announce the appointment of W. E. Dunton, C.A., as consulting auditor to the exchanges. Mr. Dunton's duties will include the inspection of all independent audits which under the by-laws of both exchanges are required at least twice a year and to see that all members comply with the provisions of the Security Frauds Prevention Act.

Scarborough Interest Paid

Township of Scarborough, Ont., has paid all interest due on its bonds to date, including payments for December, 1933. This explanation appears necessary because of a good deal of uncertainty on the part of investors.

The township is in default of principal payments on its debentures, and consequently its affairs are being administered by a board of supervisors. The municipality had a funded debt of $4,022,325 at Dec. 31, 1932, and has a population of 18,833. It is situated in the Toronto metropolitan area.

Investment Notes

Significant Investors' Index Numbers
1926 = 100

No. of Securities:	Iron and steel	Pulp and paper	Milling	Oils	Textiles and clothing	Food and allied products	Beverages	Total industrials	Total utilities	Total co's.
	19	8	5	4	9	19	8	93	19	118
1929-32:*										
High	383.8	118.2	267.4	416.8	110.1	193.8	201.4	311.0	163.6	235.4
Low	36.8	1.4	34.9	78.3	24.0	66.5	27.3	44.0	30.5	38.6
Monthly Figures, 1933:										
January	49.5	3.3	41.1	93.6	36.8	82.9	34.0	59.6	44.6	50.8
February	44.4	3.6	39.7	86.5	33.6	80.2	31.6	56.3	38.6	46.6
March	44.8	2.8	37.8	86.7	32.2	78.6	36.0	57.3	38.2	46.6
April	48.6	2.7	44.3	98.1	31.2	85.3	37.8	67.5	38.5	52.0
May	65.5	3.8	60.9	122.4	45.7	105.1	63.2	85.8	47.2	64.7
June	83.0	6.4	70.3	141.6	55.2	118.2	106.4	103.6	53.8	76.1
July	98.1	8.4	79.1	156.6	60.0	139.1	164.3	118.3	58.5	85.0
August	91.2	7.6	76.4	147.6	59.1	126.8	152.1	113.3	53.9	80.3
September	84.8	7.3	73.0	150.4	61.6	121.0	159.4	115.1	50.7	80.2
October	72.4	6.0	70.8	128.7	58.2	111.5	127.5	100.1	45.9	71.5
November	75.2	5.7	70.0	150.0	57.3	114.2	127.7	109.6	45.2	75.5
Weekly Figures:										
Dec. 7	66.1	.3	58.9	132.7	43.5	100.7	133.8	95.9	38.6	67.0
Dec. 14	68.5	.3	55.9	130.1	43.2	100.9	135.4	95.6	39.2	67.3
Dec. 21	68.6	.2	54.8	122.9	42.5	99.9	139.1	93.3	38.9	65.6

*High and low of 1929 and 1932 are based on weekly figures. In 1933 index numbers are given monthly for the first eleven months and then weekly. Compiled from figures issued by Dominion Bureau of Statistics. See also Stock Market Indicator on page one.

Biltmore Hats

REFRESHING news that has been altogether too rare in the past four years is the announcement of an initial dividend on common shares such as that just made by Biltmore Hats Ltd. This company will pay 50 cents a share on 20,000 shares of common stock on January 15 to shareholders of record December 31. The announcement comes at the conclusion of five fiscal periods of profitable operation in each of which net earnings of the company have shown an increase and during which surplus has been increased from nothing to $77,633. In the year ended November 30, 1933, the company earned $1.10 per share of common stock after an increased appropriation for reserve for depreciation and bad and doubtful accounts and a thorough writing down of inventories.

The success that the company has attained in an industry that has had its difficulties in the last few years is due in great measure to an alert and efficient management that has instituted a budget control of operations that has been singularly effective. The common dividend that comes to shareholders as a result of this efficient management does not indicate a definite policy of quarterly dividend payments but is rather an interim payment that indicates that directors of the company feel that their financial position is secure enough to provide for contingencies and pay dividends when, as and if earned.

Consumption of Electricity Reaches New Record Level

From Our Own Correspondent

MONTREAL. — Electric energy consumed in Canada during November last touched a high mark for all time of 1,596,101,000 kw.h. This compares with 1,490,544,000 kw.h. in the previous month and with 1,413,204,000 kw.h. in November, 1932.

Returns tabulated by the Dominion Bureau of Statistics show that Quebec accounted for the largest share of the increased consumption reported last month. This province, which has been well in the lead as a user of electric energy, consumed 702,356,000 kw.h. in November—a gain of nearly 50,000,000 kw.h. over the same month last year.

Ontario also has been coming to the front, after having lagged behind the general trend for many months. In November, 1932, this province consumed 460,380,000 kw.h., while in the same month this year consumption had increased to 573,500,000 kw.h.

Gains are General

Consumption increases in the Maritimes have been fairly consistent over the past twelve months, amounting to 72,196,000 kw.h. in November, 1933, as against 64,490,000 kw.h. in November, 1932.

The Prairie Provinces reported 136,721,000 kw.h. of electric energy consumed last month—a gain of 6,000,000 kw.h. over the same month last year.

Better results were recorded by British Columbia, which reported a consumption of 111,328,000 k.wh. in November, 1933, compared with 95,019,000 kw.h. in the corresponding month last year.

QUEBEC POWER SIGNS CONTRACT FOR NEW RATES

Renew Agreement With City for 10 Years—Customers Benefit

From Our Own Correspondent

MONTREAL. — Differences of opinion between the City of Quebec and Quebec Power Co. have been straightened away as a result of a new contract entered into between the two parties, calling for a reduction in rates effective from the beginning of the new year.

Quebec Power Co.'s contract with the city expires August 1, 1935, but the company will place rate reductions in effect from the beginning of 1934. Under the agreement made, the city will obtain a reduction in power charges for street lighting aggregating approximately $112,000. This reduction comes into effect prior to the expiration of existing contracts and thereafter at the fixed reduction of $50,000 a year.

Domestic Users Benefit

Next year domestic customers of the company in Quebec will benefit to the extent of about $100,000 and in 1935 and thereafter during the period of the contract by $200,000. The company has also agreed to make a concession to the churches by giving them a special reduction of 25 per cent applicable to the rates at any time, and from time to time thereafter in effect.

The new contract which will be in force until August, 1945, provides for a yearly saving of $250,000 by reducing the minimum charge from 70 to 60 cents. If the company's revenues increase, the company will apply additional general reductions, the agreement provides.

Full particulars of the agreement are not yet available. Nor is the new rate schedule ready. It is thought that several weeks will elapse before all the details are worked out; but the reductions will apply as from January 1.

Canada Bud Drops Dividend To Conserve Cash Funds

Canada Bud Breweries will not pay the dividend ordinarily disbursed on Jan. 15. Dividends at the annual rate of one dollar per share have been paid quarterly since Jan. 15, 1930. On the former basis the amount expected to be paid on Jan. 15 would have been 25 cents a share.

In making this announcement, C. E. Kiewel, managing director, states that the company's business and profits have been lower due to the depression and to smaller business at border points since beer was legalized in the United States. He also refers to the possibility of new beer legislation in Ontario, which would necessitate outlays on new equipment, and for which purpose the company should conserve its cash resources.

Metal Prices

New York—December 26—
Copper: Electrolytic spot and future, 8¼c.
Silver: 43½c.
London—December 22—
(Long Ton)—
Copper: Electrolytic spot, £35 10s; future, £36 10s.
Standard spot, £32; future, £32 2s 6d.
Tin: Spot, £227 12s 6d; future, £227 7s 6d.
Lead: Spot, £11 5s; future, $11 7s 6d.
Zinc: Spot, £14 15s; future £14 17s 6d.
Silver: 18 3/16d. per ounce.
Gold: 126s 4d.
Canada—December 26—
Gold: $32.19.

DIVIDENDS SOON PRESS. METALS, SHOPS HUMMING

Three Shifts Running All Week to Meet Demand for Shackles

Pressed Metals of America, Inc., by reason of greatly increased business, seems to be in a fair way to realize hopes of shareholders that a dividend will be paid next spring on the 110,774 no par value common shares outstanding. There has been a deficit on the year's operations in each of the last three years to December 30, 1932, and even for the whole year of 1933 the report may not be so good as the actual present situation would justify because business was not good in the first part of the year.

Three Shifts Needed

Things have changed rapidly in the latter part of 1933, however. The silent shackle, developed by the company to take up the slack left in its normal business by the unparalleled drop in construction activity, has been thoroughly tried out under all conditions of active service by various automobile companies. The change over by Chrysler and General Motors to front wheel individual springs for some of their cars requires three times the number of shackles required with ordinary axles. As a result the company's plant, doubled in 1929, is now used to the top notch of capacity. They are cutting out 14,000 shackles a day, The Financial Post is informed. There are three shifts at work on week days and Sunday to meet demand.

Expects Best Year

The company has a strong liquid position and with the orders on its books expects 1934 to be the best year it has had in its history. If construction gets more active under N.R.A., that business will be additional. The motor business, which was undertaken as a sideline is now the most important. It can quickly take advantage of active business because there are no bonds or preferred stocks ahead of the common stock and no loans from the bank were shown in the last statement.

Bond Sales

A. M. Mackinnon & Co., of Napanee, Ont., have underwritten and sold $10,000 of 5½ per cent, serial debentures of the township of Amherst Island, Ont., at an average price of 98.50.

Montreal Exchanges Move to Widen Field of Service

From Our Own Correspondent

MONTREAL.—Following discussions, which have extended over a period of several weeks, members of the Montreal Stock Exchange, Montreal Curb Market and their partners are co-ordinating their forces in effecting certain new policies designed to bring about a better knowledge of the working of the exchanges.

One of the first steps in the new programme was the extension of an invitation by members of the exchange to partners to elect a committee to co-operate with the governing committee of the exchange and discuss matters of policy before definite action is taken. To this end the following partners have been named to act as a committee: Herbert D. Kingstone, Brian Heward, Lt.-Col. W. P. O'Brien, J. A. Garneau and William D. Benson.

It will be some time before the full plan is put into effect. Meanwhile, members have given informal approval of a regulation governing commissions to customers'-men and sub-agents. Sub-agents, if appointed under the new agreement, must be brokers who maintain offices and regularly conduct a stock or bond brokerage business. The proposals, which are subject to final approval, call for control of sub-agents, the commissions to be charged them, and remuneration of customers' men employed by member firms.

The Montreal exchanges have also set up a public relations department which will regularly disseminate information likely to be of interest to those dealing directly or indirectly with the exchange members.

In all plans which will be determined upon by the two Montreal exchanges, the closest form of co-operation will exist with the new Toronto Stock Exchange. In this way there will be a unified effort to improve conditions in the brokerage business.

COURAGE, INTEGRITY BROUGHT FULLERTON TO RAIL POSITION

(Continued from page 3)

distance to Winnipeg to ask Fullerton to take the chairmanship of the Railway Commission. Since coming to Ottawa the two men have seen little or nothing of each other, although the Prime Minister has followed the success of his appointee with interest and deep satisfaction.

Born at Amherst

Fullerton was born at Amherst, Nova Scotia, in 1870, the son of a barrister. His family, on both sides, had lived in Canada some 150 years but derived from the Isle of Skye on the paternal and from England on the maternal side. For several generations they were farmers in the Parsboro district but Fullerton's father struck out for the city and the profession of law and the son followed.

His father died when Fullerton was a young man and he never received much by way of financial assistance. He matriculated at 15 years of age and entered Dalhousie. He was paying his own way which meant that there was little in the "Rah! Rah!" line for him. After the first year his eyes gave out and he had to stop his studies and take a job in a lumber mill. His pay was $15 per month with board—and he thought it very good pay. The second year he was put in charge of the mill and remained another three years. He had now accumulated enough money to see him through college, but he had to watch every penny.

Won't Buy on Credit

Whether it was inbred or whether these early years revived his Scottish blood. Fullerton as a young man developed an abhorrence of debt. He has never borrowed money in his life nor has he ever accepted even the ordinary credit which grocers and milk companies are glad to extend. Everything that goes to the Fullerton home is paid in cash.

After graduating he went to Halifax and entered as a student in the law office of C. S. Harrington, the father of the recent premier. He was among the first students to be paid and his stipend was $1 per week. When he became a barrister this was raised to $10 per week and a little later he was taken into partnership. But with all these successes and with all the work they implied he found his income limited to about $1,200 per year.

Practiced in Sydney

He went to Sydney and opened an office. After six months without a client he was engaged to defend a government liquor inspector who was charged with seeking a bribe. The case was a frame up. Fullerton won, earned $17 as legal fees, made such a reputation that his law office was never idle after. He ran for mayor on a "clean-up" ticket, was elected, cleaned up the town, retired to practise.

But strikes and other labor troubles undermined the prosperity of the town and in 1906 Fullerton decided to go West. He travelled to the coast visiting all the larger cities and enquired for openings. Winnipeg attracted him and he got a job in the law firm headed by Sir James Aikins. Later he became a partner and for nearly ten years he was the "counsel" or court pleader of the firm. He travelled across the prairies pleading cases.

Valuable Experience

The Aikins firm, at this time, had perhaps the largest law business in the West so that the extent of Fullerton's experience and the knowledge of the country that he accumulated go without saying. Then in 1917 came his elevation to the Appeal Court and after fourteen years of success as a judge, the promotion to the Railway Commission.

At 63 years of age Fullerton still appears to be in the full vigor of manhood. He is, indeed, at the zenith of his mental power. His appointment as head of the National Railways breaks a long tradition. He is not a professional railroader; he is not a big business man. To both, perhaps, he might say what Lord Asquith once said to a delegation that called for a "business men's government" in Great Britain. The British statesman and lawyer merely remarked that he had made a substantial fortune out of extricating business men from difficulties of their own making.

No Flair For Publicity

Fullerton enters upon a semi-public position of great responsibility lacking some of what have hitherto been deemed essential qualifications. He is not a back-slapper, not a good fellow in the ordinary social sense. He is completely lacking in what might be called the flair for winning public esteem and for obtaining publicity. He is not a headline hunter and may live to rue the fact.

He brings to the direction of a great publicly-owned enterprise plenteous quantities of hard common sense, illimitable courage and tenacity, a sense of honor and a personal integrity that has never been questioned.

NICKEL INDUSTRY'S STAR IS ASCENDING SAYS NICKEL CHIEF

Uses for the Metal Steadily Expanding — Domestic Demand Notable

In a year-end review of the nickel industry, Robert C. Stanley, president of International Nickel Co., refers to the profound changes which have been wrought by the world depression and says "the industrial attitude toward better materials, better performance and lower ultimate costs are slowly coming to be better appreciated."

In those changes he sees the roots of an alloy age fast supplanting the age of steel, just as steel replaced iron in the long progress of evolution in metals. Nickel in combination with iron and steel and with non-ferrous metals, has become a common denominator in the move toward alloys.

"Nickel" he says, "is enjoying increasingly diversified commercial applications throughout world industry."

Nickel Consumption Soars

World consumption of nickel in all forms for the first ten months of 1933 was 77,609,280 pounds, as compared with slightly more than 49,500,000 pounds in the same period of 1932 and with the 112,481,600 pounds of the corresponding part of the peak year, 1929. United States consumes more than half of Canada's production of nickel but deliveries to other countries show correspondingly favorable increases over 1932.

Factors making for a better volume for nickel in the alloy steels have been the slow but steady improvement of business in Europe, the recent progress toward industrial recovery in the United States, specifications for nickel alloy steels in some of the largest projects under the National public works programme, the trend toward better materials in automotive construction and the practical stripping of the world market of nickel steel scrap. In all producing countries the number of automobiles manufactured showed a definite increase, this being particularly true in Great Britain.

Developments during the year, which indicate important markets for these steels, are ship building programmes and the attention given to revolutionary changes in the design of passenger trains. In France special attention was given to the nickel steels in the construction of mining equipment.

In the industrial field as a whole two factors have operated to stimulate the use of monel metal. One has been the general quickening of activity, the other has been the growing familiarity with and confidence in this alloy on the part of fabricators.

Domestic Use Increases

The household field continued to provide an important outlet for this distinctive alloy of the nickel industry.

The outstanding development in the domestic field has been the acceptance given to monel metal hot water tanks, range boilers and storage tanks for automatic gas and electric hot water heaters in the home.

Pure nickel for coinage is growing in popularity. According to the latest information, these coins have been minted for 27 countries in 72 issues representing 69 denominations. Aproximately 3,000,000,000 pieces have been struck.

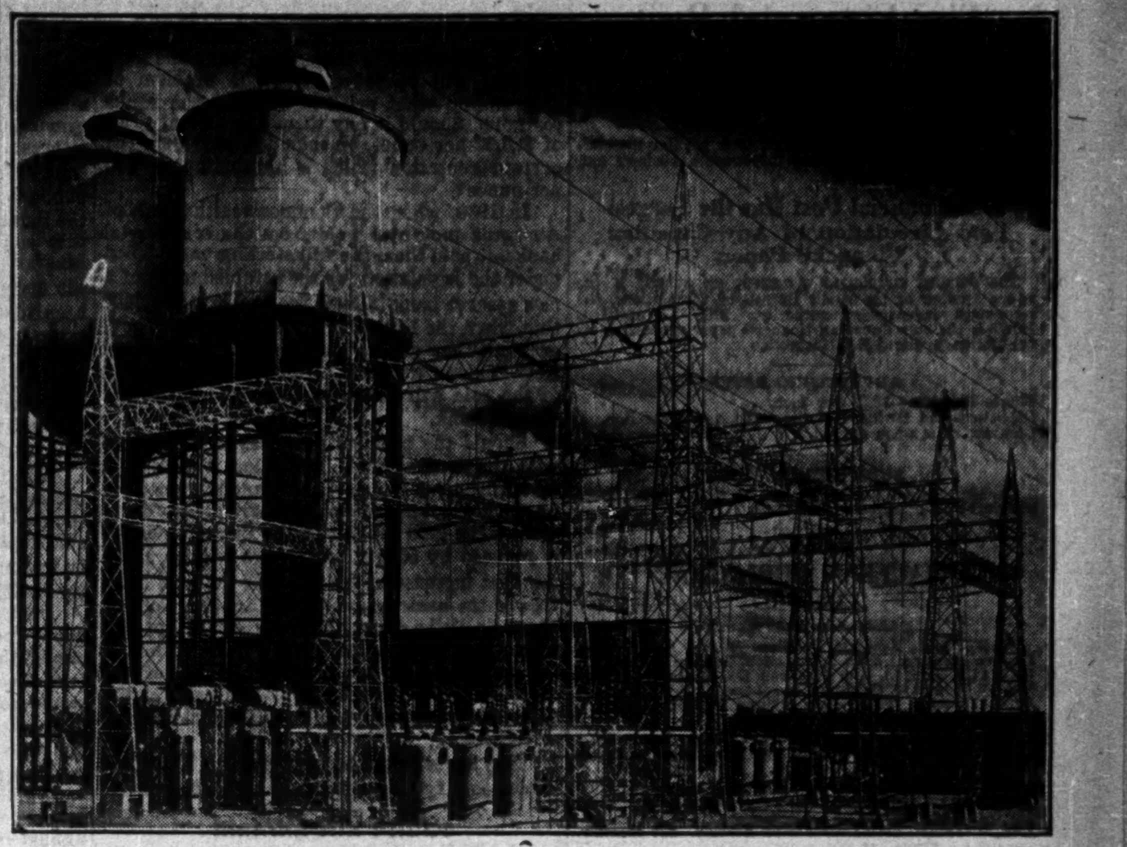
Failures under the Bankruptcy Act for the week ending December 16, show a decrease of 25, the figures being: 1932, 42 and 1933, 17.

Bond Redemptions

Bond Issues:	Rate	Due	Redeem.	Price
Toronto Harb.	*4½%	1953	Dec. 27	..

*Purchase of $380,000 for sinking fund.

Chartered 1864
Savings Deposits
Withdrawable by cheque
Debentures
$100 and over—1 to 5 years
The Huron & Erie
MORTGAGE CORPORATION



The James Maclaren Power Company Development, at Masson, Quebec, where are installed four 28,000 KV-a Westinghouse Generators, in addition to Transformers, De-ion Circuit Breakers and Metal Clad Switchgear, also of Westinghouse manufacture.

THE ENGINEERS' CHOICE

IN THE large power development, as in the smallest motor and control job, Westinghouse dominates by reason of a rigid insistence on these basic principles:

Correct design.
Scrupulous attention to detail in manufacture.
Adequate testing of the product.

Without these, no engineering project can succeed, nor can it withstand the hard services demanded to-day.

In the Masson Development, pictured above, there are incorporated many important and even radical improvements in electrical design, that in the heyday of 1929 were hardly thought of, but which, in the past few years, have been brought to perfection by Westinghouse Research Engineers. Surge Proof Transformers and Metal Clad Switchgear may be mentioned in this connection.

Thus Westinghouse, maintaining the high traditions of the past, is keenly alive to modern electrical trends and is ready to supply the needs, not only of to-day's industries, but to-morrow's.

SPECIFY WESTINGHOUSE—IT PAYS

CANADIAN WESTINGHOUSE COMPANY, LIMITED
HAMILTON - - ONTARIO
BRANCH OFFICES AND REPAIR SHOPS IN ALL PRINCIPAL CITIES

8139

Westinghouse

Consolidate Floating Debt Three Quebec Municipalities

Consolidation of the floating debt of the municipalities of Point Aux Trembles, Montreal North and St. Michel, will be attempted by the Montreal Metropolitan Commission, it is reported. Action is to be taken under the Quebec Municipal Debt and Loan Act, which provides that floating debt contracted by municipalities after March 1, 1933, may be consolidated, if the debt has been approved by the Quebec Municipal Commission.

It is understood that the Metropolitan Commission expects to put into force a by-law permitting the three municipalities to collect a business tax, which, under the act, must not exceed 8½ per cent of assessed valuations.

The Royal Bank of Canada

General Statement 30th November, 1933

LIABILITIES

Capital Stock Paid up		$35,000,000.00
Reserve Fund	$20,000,000.00	
Balance of Profits carried forward	1,383,604.18	
	$21,383,604.18	
Dividends Unclaimed	12,745.75	
Dividend No. 185 (at 8% per annum), payable 1st December 1933	700,000.00	
		22,096,349.93
		$57,096,349.93
Deposits not bearing interest	$128,829,694.46	
Deposits bearing interest, including interest accrued to date of Statement	450,463,265.41	
Balances due to other Banks in Canada	841,498.81	
Balances due to Banks and Banking Correspondents elsewhere than in Canada	20,313,902.13	
		600,448,360.81
Notes of the Bank in circulation		29,349,801.14
Advances under the Finance Act		20,000,000.00
Bills Payable		255,089.91
Liabilities not included in the foregoing		57,985.74
Letters of Credit Outstanding		22,052,888.91
		$729,260,476.44

ASSETS

Gold and Subsidiary Coin on hand	$14,117,860.37	
Dominion Notes on hand	48,922,334.75	
Deposit in the Central Gold Reserves	3,000,000.00	
United States and other Foreign Currencies	21,713,830.99	
		$87,754,026.11
Notes of other Canadian Banks	$1,811,091.42	
Cheques on other Banks	18,384,822.80	
Balances due by other Banks in Canada	2,814.09	
Balances due by Banks and Banking Correspondents elsewhere than in Canada	49,746,460.79	
		69,945,189.10
Dominion and Provincial Government Securities (not exceeding market value)		106,850,615.53
Canadian Municipal Securities and British, Foreign and Colonial Public Securities other than Canadian (not exceeding market value)		24,198,073.90
Railway and other Bonds, Debentures and Stocks (not exceeding market value)		11,970,905.82
Call and Short (not exceeding thirty days) Loans in Canada on Bonds, Debentures and Stocks and other Securities of a sufficient marketable value to cover		28,771,273.74
Call and Short (not exceeding thirty days) Loans elsewhere than in Canada on Bonds, Debentures and Stocks and other Securities of a sufficient marketable value to cover		32,981,561.27
		$362,471,645.44
Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	$216,849,534.86	
Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts	95,237,013.78	
Non-Current Loans, after providing for estimated loss	4,032,843.75	
		316,119,392.39
Bank Premises at not more than cost, less amounts written off		17,015,987.02
Real Estate other than Bank Premises		2,424,277.85
Mortgages on Real Estate sold by the Bank		883,009.27
Liabilities of Customers under Letters of Credit as per contra		22,052,888.91
Shares of and Loans to Controlled Companies		6,328,639.58
Deposit with the Minister for the purposes of the Circulation Fund		1,500,000.00
Other Assets not included in the foregoing		464,635.98
		$729,260,476.44

NOTE—The Royal Bank of Canada (France) has been incorporated under the laws of France to conduct the business of the Bank in Paris, and the assets and liabilities of The Royal Bank of Canada (France) are included in the above General Statement.

H. S. HOLT,
President

M. W. WILSON,
General Manager

AUDITORS' CERTIFICATE

TO THE SHAREHOLDERS, THE ROYAL BANK OF CANADA:

We have examined the above Statement of Liabilities and Assets at 30th November, 1933, with the books and accounts of The Royal Bank of Canada at Head Office and with the certified returns from the branches. We have verified the cash and securities at Head Office at the close of the Bank's fiscal year and during the year we counted the cash and examined the securities at several of the important branches.

We have obtained all the information and explanations that we have required, and in our opinion the transactions of the Bank, which have come under our notice, have been within the powers of the Bank. The above statement is in our opinion properly drawn up so as to disclose the true condition of the Bank as at 30th November 1933, and it is as shown by the books of the Bank after giving effect to the transfer by the Directors of $15,000,000 from Reserve Fund to reimburse the inner reserves of the Bank and to provide reserves which they consider adequate for future contingencies.

A. B. BRODIE, C.A.,
of Price, Waterhouse & Co.
JAS. G. ROSS, C.A.,
of P. S. ROSS & SONS.
Auditors.

Montreal, Canada, 23rd December, 1933.

PROFIT AND LOSS ACCOUNT

Balance of Profit and Loss Account, 30th November, 1932	$1,166,954.95	
Profits for the year ended 30th November, 1933	3,901,649.23	
		$5,068,604.18
APPROPRIATED AS FOLLOWS:		
Dividend No. 182 at 10% per annum	$ 875,000.00	
Dividend No. 183 at 8% per annum	700,000.00	
Dividend No. 184 at 8% per annum	700,000.00	
Dividend No. 185 at 8% per annum	700,000.00	
	$2,975,000.00	
Contribution to Officers' Pension Fund	200,000.00	
Appropriation for Bank Premises	200,000.00	
Reserve for Dominion Government Taxes	310,000.00	
Balance of Profit and Loss carried forward	1,383,604.18	
		$5,068,604.18

H. S. HOLT,
President

M. W. WILSON,
General Manager

Montreal, 23rd December, 1933.

The Financial Post

Member Audit Bureau of Circulations

President—JOHN BAYNE MACLEAN
Vice-President—HORACE T. HUNTER
Editor—FLOYD S. CHALMERS
Business Manager—D. M. GOWDY

A weekly newspaper, presenting in a popular manner, reliable information respecting investments, business and national affairs in Canada.

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The detailed circulation statement we submit is the sworn finding of the Audit Bureau of Circulations, the recognized independent authority. THE FINANCIAL POST is the only Canadian financial paper submitting its circulation to the A.B.C. inspection.

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DIRECTORY OF CANADIAN DIRECTORS AND OFFICIALS. Yearly, $10.

TORONTO, DECEMBER 30, 1933

TAX AVOIDANCE LEGITIMATE

CORPORATIONS and individuals, in making tax returns and by operating policy, have the right, the duty, even the necessity of cutting down their tax payments to the legal minimum. This is not only recognized by the law and by governments, but is practised by most corporations and individuals. Those who evade taxation by illegal means, of course, cannot be condoned for their actions.

There is a responsibility to shareholders in the case of corporations making tax payments. The duty is to keep the payment as small as possible, within the terms of the law, in order to protect the interests of those who have invested in the company.

In some cases it may be vitally necessary for corporations to take every precaution to see that tax payments are legitimately avoided wherever possible. Efficiency may demand it. If it is not done, competitors may be so capable of cutting this item of cost as to make it a serious burden to the corporation that neglects to take full advantage of its opportunities.

In Canada the imposition of a stamp tax on all cheques has led to payment of more small bills in cash. Here is a case wherein individuals by the thousand are taking advantage of the terms of the tax to avoid it, entirely within the law. And a man may smoke a pipe instead of cigarettes, largely, but perhaps unconsciously, to avoid the heavier cost of cigarettes due mainly to heavy taxation.

It is a question of recognizing the nature of the law. We have yet to hear of a case in which an individual, a court or a government would condemn a corporation for making its full depreciation deduction, or an individual for claiming legal exemptions, under the Income War Tax Act.

Public criticism at avoidance of heavy taxation by some wealthy firms and individuals is sometimes directed against those who have successfully avoided unnecessary taxation either through tax free bonds or some other legitimate means. This feeling is misdirected. It should rather be aimed at the terms of the law, if they are unjust, ill-conceived or badly drawn. The duty of accountants, auditors and solicitors is to see that their clients are fully advised of the law and that every means be taken to see that legitimate exemptions are claimed, and that unnecessary tax payments are avoided, but always within the law.

LAYS HIS CARDS ON TABLE

MANY explanations have been offered of the peculiar charm which President Roosevelt seems to have cast over the American people and the larger part of the American press. Few presidents have had such general support in their policies. Even the people who have been most pointed in their criticism of individual phases of the Roosevelt programme have been, generally speaking, friendly to the President personally.

Possibly the chief quality the President has demonstrated is that of frankness. He lays his cards on the table before the people and he asks them to support him for what he is trying to do.

Some time ago the Hearst newspapers were publishing editorials condemning the N.R.A. and the price juggling programmes of the President. Then William Randolph Hearst was summoned to Washington for an interview with the President. Following this interview, the Hearst newspapers turned completely around and began to support the President on both these counts. The rumor ran around the country that the President had served an ultimatum on Hearst, had told him that if support was not forthcoming from his newspapers that the administration would find a way to make things unpleasant for them, even that financial embarrassment might follow.

No official reports of the conference have come out but later and probably more authoritative reports have it that what the President really did was to sit down with Hearst, explain his policies in detail, answer all of the publisher's questions frankly and freely, and provide Hearst with sufficient evidence of his grasp of the general situation, of the soundness of his policies and the sincerity of his motives to completely change the policies of the newspapers with their nearly 15,000,000 circulation.

In most European countries, newspaper publishers who do not agree with the administration are thrown into jail. In this country we have not heard of anyone actually going to jail for disagreeing with some policy of the government, but we know of cases where editors have summarily been transported to Ottawa where they have been threatened with conviction under various omnibus clauses of the criminal code, and where the time involved in preparing the docket for the threat must necessarily have taken up much more time than a simple attempt, in the Roosevelt fashion of a heart to heart talk, to explain government policy and to ask for more details of the points on which the criticism was based.

HOW MUCH IS GOLD WORTH TO THE GOVERNMENT?

CANADIAN banks have a substantial quantity of gold in their treasury which they utilize as a portion of their reserve. The Macmillan report recommends that the new central bank should concentrate the gold holdings of the country, but it does not state whether or not the gold holdings of the chartered banks should be confiscated by the government. This is apparently a problem for parliament to work out.

If the decision is made to concentrate all gold holdings of banks in the central bank the government will be faced with the problem of determining what price it will pay the banks for gold. Should it pay them the normal price of $20.67 per ounce, or should it pay them the current quotation which is approximately $35 per ounce?

In 1930, when the Commonwealth Bank of Australia took over gold from the commercial banks, it paid them the full sterling value. But under the legislation for the establishment of a new reserve bank in New Zealand it is provided that when the banks turn over gold to the government they will be paid for it in depreciated New Zealand currency. The profit on the sale of the gold will go to the State and not to the reserve bank.

Should the problem not arise in connection with the central bank legislation it will most certainly arise if and when Canada goes back on the gold standard at a new parity. If, for instance, the gold content of the Canadian dollar is reduced by 50 per cent, there will be a 100 per cent increase in the value of the gold holdings of the bank expressed in Canadian dollars. There is little doubt that this entire "profit" would be expropriated by the government on the grounds that, as the depreciation of the currency had given gold additional value at the expense of the people, the profit should accrue to the state.

This agreement has been used in New Zealand to justify the confiscatory legislation there.

THRIFT NOT ENOUGH

A LARGE financial concern seeking deposits advertises "Decide now whether you'll be broke a few years from now or not" and it goes on to say "You can predict your financial future now."

Investors, after their unhappy experiences of the last three or four years, are beginning to wonder if this is quite a fair statement. There are many people who followed the soundest advice of investment advisors only to find themselves practically insolvent and without income at the present time. True, those who left their money in Canadian banks or bought Canadian Government bonds have been protected and true there are very few investors who have lost everything. The extreme cases are probably in the United States. Take the case of one man of 72 in a large American city (and his case is only one of many thousands), who had a substantial sum divided between a bank account and shares in his local bank, an institution international in name and reputation. The bank closed its doors and while the depositors have been receiving small dividends on account of their claims, he has received nothing because his money is being held back to meet a possible call under the double liability clause of his bank shares. Here was a man who took the advice so freely given to him by the financial institutions of his city, saved his money, put it in the bank and invested it in the bank's shares. What has it profited him? Nothing but complete disillusionment at an age when it is too late for him to start all over again rebuilding his fortune.

In more or less degree, the same thing has been repeated in many thousands of cases in Canada. From now on investors are going to insist upon greater protection than they have ever had in the past. Stiffening up of the rules and regulations of the stock exchanges, adoption of a strict code of ethics by investment bankers, and radical revision of Canadian company law to prevent abuses are among the safeguards that can be provided.

DRYING UP RURAL CREDIT

WHEN the Macmillan Commission reported that facilities for rural credit in Canada were inadequate they ignored one of the real obstacles to the extension of private credit facilities among the farmers of the country. This is the fact of what the Winnipeg Tribune calls the destruction of the farmers' credit by legislation, which has been in process for some years. In each of the Western provinces laws have been passed that place many prior liens ahead of farm mortgages. In each of these provinces there are a dozen or more possible encumbrances which take priority over the first mortgage. These are not the products of the depression. Moratoria and debt adjustment acts may be regarded as emergency measures, but the other legislative encumbrances date back to more prosperous days. The private lending institutions of Canada made desperate efforts to have them removed or modified, and when they failed, they naturally exercised extra care in making any farm loans at all.

Another circumstance that has dried up the springs of private farm credit has been the establishment of Dominion and provincial lending institutions in almost every province. Not one of these has created enough farm credit to equal the private funds that have been withdrawn in consequence of the establishment of the new institutions.

Surely there is some method of establishing a rational credit system for agricultural Canada short of a blundering stab at another inefficient governmental system like those we already have in that field. Were there no legislative interference with the contracts involved in farm lending there would be ample private capital available, on a competitive basis and at reasonable rates, to finance all proper needs of any businesslike farmer. The first step at improving the farm lending position is to make it reasonably safe for the investor to lend, to give him room for the exercise of his good judgment in selecting the risk, and to give him assurance that when he has made a loan it will not be destroyed by a politician.

ONE THING OLDER PARTIES CAN LEARN FROM C.C.F.

THE Co-operative Commonwealth Federation is sending out circulars asking for believers in its movement to join one of the organized farmer, labor or study club groups that have been organized under the wing of the new party. The circulars asking for people to join the C.C.F. state that powerful interests with enormous funds are behind their opponents. They ask for 50 cents or $1 each from every believer in the movement in order to create a substantial war chest. Unfortunately, it isn't quite clear whether it is the membership or the donation that is most earnestly sought.

The question is often asked where the C.C.F. gets all the money it is spending. It is holding meetings throughout the country, has speakers travelling about and publishes an enormous quantity of literature. Whether or not the C.C.F. has any one source of funds upon which it relies for a large portion of its revenues we cannot say. But it has accumulated a great deal of money in the combined contributions of many people who have joined branches or clubs and who are paying a small annual fee.

This much perhaps the new Socialist party can teach the older parties. They have relied to too great an extent for their funds, for their election war chests, upon contributions of large interests who hope to benefit from the occupancy of the seats of the mighty by one or other party.

The most lamentable feature of the Beauharnois contribution to the Liberal party was that the incident was no whit different from similar contributions that are made every week to the party chests of either the Conservative or the Liberal party by those seeking contracts, tariff favors, or other benefits from the government or some potential government. The enormous contribution made by the Beauharnois interests to the Liberal party funds shocked the general public but only because the general public is not fully seized of the fact that that is the manner in which party funds are raised in this country. It happened that it was the Liberal party that was caught red-handed in the acceptance of this contribution, but it has been told that the Conservatives, too, received a large contribution from the Beauharnois interests and that the money was practically in the party treasury when Mr. Bennett heard of it and ordered the sum returned. But did Mr. Bennett return the contributions of other large manufacturing or power interests?

Elections cannot be fought without money nor can party organizations be sustained. Even the C.C.F., with its intense desire to give Canada what it calls a true and effective democracy, is finding that money is necessary to grease the political wheels.

Public opinion probably is not ready yet to adopt the plan of having party expenses paid out of the public treasury. But short of that, two effective reforms might be adopted. One would be to provide for complete publicity for all party contributions. To keep the matter simple all contributions under, say, $5 might be exempted from this provision. The second reform would be for the parties to recruit a larger total of members paying a small regular annual fee of $1 or $2, thus giving to the party structures a firmer and broader base of sustaining members. It is this plan that the C.C.F. has adopted and the other parties might learn something from their precedent.

GRACIOUS COMPLIMENT

THE unexpected has happened, and thereby hangs a story of the sort of thing life insurance is doing for Canadian citizens.

This week we turned over the pages of the monthly agency bulletin of the Great-West Life and noticed a strange heading. It read: "Woman gets bargain from Metropolitan." It was hard to believe that one leading life insurance company was boosting the wares of another in its own agency periodical, yet that's exactly what was happening.

The item read:

"In July, 1903, a woman who was then aged 67 paid a single premium of $21,821 to the Metropolitan Life which in turn agreed to pay her $2,645 or more than 12 per cent of the single premiums each year as long as she lives. She has now received twenty-nine payments totalling over $75,000. Since she is still living at the age of 96 she will continue to receive these payments until she dies. Had this lady invested this same amount at five per cent she would have received only $1,091 a year. If, on the other hand, she had used part of the principal to obtain an annual payment of $2,645 a year, her income would have ceased before the expiration of eleven years—a dependent at 78."

It would be splendid if this sort of thing happened every day, for nothing attests the merit of a good life insurance policy than this tribute by one company to the performance record of another.

EDITORIAL NOTES

Mr. Roosevelt's experiment may be more of an expedient.

* * *

Search for a panacea to end the depression smacks of the search of mediaeval alchemists for the philosopher's stone.

* * *

It is to be hoped that the balancing of Ontario's budget is not in the same class with Dr. Cook's discovery of the North Pole.

* * *

Silver-tongued senators from American silver-mining states hope soon to bring about a higher price for the metal "to help the Orient," among other things. Chief among the objectors to higher silver prices are the world's main commercial users of silver, Chinese traders and merchants. Perhaps "the Orient" of the senators is somewhere nearer home, and votes.

Post-Scripts

SYMPATHY for the postman at Christmas takes concrete form. The postman deserves some special Yuletide consideration. On busy urban routes, he sometimes starts work at this season by four a.m. After sorting his quota of letters and parcels, he may set out in rain, snow or hail to make his deliveries. And sometimes he works at it until after dark at night.

But there are rewards. On residential routes in cities, the postie may gather in amounts totalling from $100 to $300, depending on the route, the state of business and divers other things. On the best city routes, those in the busy banking, insurance and commercial sections, a postman may collect gratuities aggregating from $200 to $500, according to a postal official. Those who are not fortunate enough to get it in cash receive cigars, tobacco, cigarettes and other things dear to the masculine heart. So perhaps there really is a Santa Claus.

* * *

HITLER and his associates have provided no end of interest to the people of other countries. His policies have been condemned and praised and reports of Nazi activities are followed with the greatest interest. While these reports reach us second and third hand they do not lose anything in the re-telling. A current news despatch told of the new Nazi law for prevention of diseased progeny. Half way through the account appears the following enlightening paragraph:

"Fifty per cent of those affected were said to be suffering from congenial feeblemindedness."

All of which raises the point of what Hitler would do with those other congenial souls, the Frothblowers, if he were dictator of England.

Sayings of the Week

"The Parliamentarian regards it as his particular function in society to waste time and do nothing." —*Bernard Shaw.*

* * *

"Patience, experience and faith, these are great things in life. Through patience we gain experience and experience gives us faith."—*Henry Ford.*

* * *

"I believe the day is coming when capital and labor will come together and work peacefully in accord with each other."—*Guglielmo Marconi.*

* * *

"No country in Europe that went through the post-war inflation would touch inflation today."—*Frank B. Kellogg, former U. S. Secretary of State.*

* * *

"In the end, the average American newspaper editor tells his readers what they have a right to know."—*Marlen Pew, editor of Editor and Publisher.*

* * *

"A liberal education should develop a man of open mind, one who is his own master and trained to know, think and interpret."—*Nicholas Murray Butler.*

* * *

"Don't think that I believe this is the last crash. There will be future ones under the present system. You haven't seen the half of it yet."—*John Strachey, British writer.*

* * *

"I believe in advertising. I think that it would be money well spent to lay before the potential criminal just what he is getting himself into."—*Alfred E. Smith, former governor of New York.*

* * *

"There is no Socialistic revolution in Britain; no dictatorship; no substitution of despotism for Democracy; no National Recovery Act. Britain is progressing out of the depression soberly."—*Wm. Randolph Hearst.*

No Inflation in U.S. Yet; Europe Bulls America

Financial America Takes Unusual Interest in Canada's Drugless Recovery

By DR. GAINES T. GARTINHOUR, New York University

NEW YORK. — In spite of the currency controversy which has arisen as a result of President Roosevelt's monetary policies, it should be noted that the Administration has not as yet adopted any real inflationary measures. Increasing the price of gold with resulting depreciation of the dollar is not inflation. It exists only when the volume of currency and credit actively in use increases at a more rapid rate than the volume of trade. The best indication of inflation under these circumstances is rising security and commodity prices. Moderate issues of currency by the Government during a depression, when there happens to be a plentiful supply of credit will not cause inflation if it is generally understood that no excessive issues will be made.

The latest development in the Administration's monetary policy is essentially a silver-purchase programme and has no inflationary elements outside of its moderate expansion of the currency and those implications which some observers may read into it with respect to the possibilities of more radical action in the future. This aspect of the monetary programme will be discussed in my next dispatch to The Financial Post.

The President's announcement that he intends to continue his gold and other allied policies regarding gold and currency indicates a rise in prices resulting from normal business activity in the United States would be unsatisfactory, at least, from his point of view. It is fortunate that considerable publicity has been given to the reports of the Brookings Institution and the National Economy League. Both are prominent American organizations, and their activities are doubtless familiar to many Canadians. The two reports have been prepared by non-partisan experts and have been very favorably received in Wall Street. The former rejects the Warren plan for raising prices, pointing out that there is no basis for the assumption that any predictable rise in the price level can be obtained, and that once a desired level has been reached there is no evidence that it could be automatically controlled by altering the price of gold. The experiences of a number of countries clearly shows that no such automatic revaluation of commodities occurs.

Credit Deterioration

Experience also indicates that monetary uncertainty sooner or later leads to a deterioration of government credit. This is particularly important in the United States at the present time because of its relation to other phases of the general recovery plan. Public loans will probably have to be floated in time and any difficulty in borrowing might necessitate the adoption of unfortunate policies. The report of the National Recovery League in effect states very correctly that a government which cannot control its spending cannot control its money, and logically points out that borrowing could not be carried on indefinitely; also that the time to check spending is before that limit is reached and fiat currency becomes the only alternative to sharp budget cuts and excessive taxes.

European buying of American securities is good news to Wall Street. The total business is still comparatively small and is coming from Paris, Switzerland and Amsterdam. Indications point to a change from the speculative position of past months. The importance of this development is that it is indicative of the trend of European opinion. The change in sentiment is probably due to the comparative steadiness of dollar exchange this month, the improvement in American business, and the report that the Bank of England and financial London does not favor additional appreciation of sterling against the dollar.

Consumption in United States

Buying of consumption goods is progressing in good volume in the United States, but not sufficiently to bring about satisfactory price increases. However, Wall Street is encouraged with the increased volume. Christmas buying was at a highly encouraging pace throughout the country, with gains in individual cities between 1 and 36 per cent as compared with 1932, the low rate being ascribed to Boston and the high rate to Miami. New York City was about five per cent ahead. Wall Street is now convinced that if we are to have a bull market it will have to be based on good business and not on a depreciation of the currency. There is very little maladjustment existing between demand and supply schedules at the present time, since production in general was drastically reduced during August, September, October and November, and demand schedules held up very well.

In contrast with lumber activity in Canada, new business at lumber mills in the United States during the first two weeks of the month declined somewhat in comparison with preceding two weeks and was lower than any similar previous period since in February. Production also averaged slight declines. This information is based on reports to the National Lumber Manufacturers' Association from 1,340 mills.

Views on Canada

In view of the billions of American capital invested in Canada, it is only natural that there is an unusual interest in New York and other financial centres in the rise in business activity in Canada, particularly since it is reported recent improvement has been so marked as to carry many current rates up to and even above the levels prevailing during the corresponding periods of 1930 and 1929. It is significant that Canada is experiencing a marked expansion in many major economic activities comparable with that in the United States, without using any of the stimulants now being utilized by the Roosevelt Administration.

It is probable that Canada will show a favorable balance of merchandise trade of more than $100 million for 1933, more than twice the 1932 record. Furthermore, in view of the fact that domestic consumption is holding up, excessive stocks of goods are not being accumulated. Canada's responsibility as a major debt nation has been lessened considerably and her financial position shows a substantial improvement over 1932.

It is interesting to recall that Canada is not the only nation that has employed various types of compensating duties to protect home markets. The Italian Government issued a decree along this line last September, requiring duties which were sufficient to compensate for depreciating currencies elsewhere. France has followed a similar practice. It has also been used elsewhere, and explains to some extent why the theoretical advantage of depreciation, in a fight for world markets, does not work out in practice. At best it is only transitory.

As Others See Us

Western Provinces and Their Finances

Ottawa Evening Journal.—According to the Toronto Financial Post Canada's four Western provinces have about decided to come down to Ottawa and see what Premier Bennett thinks of a plan by which they may refund their debts. Refund them, of course, at a lower rate of interest.

This is interesting news. Some of us, in recent days, have been lamenting Newfoundland, have been expressing amazement that people should have gone on year after year running themselves into bankruptcy. Our amazement, or whatever it was could have begun at home. For the fact is that, financially, the position of some of our Western provinces has not been markedly different from that of Newfoundland. They were compelled to come to Ottawa just as Newfoundland was compelled to go to Downing Street. They came to Ottawa, in fact, to the tune of $40,000,000.

And these provinces—British Columbia, Alberta, Saskatchewan and Manitoba—are not yet out of trouble. Last week their premiers met in Victoria, and after canvassing the situation thoroughly this is what they found: (1) that budgets cannot be balanced; (2) that further financial assistance is needed; (3) that debt charges are too heavy; (4) that Ottawa should continue to lend to the West or arrange refunding of debts; (5) that if this is not done default may occur.

There is the case of British Columbia. The Liberal Government of Mr. Pattullo, still in its honeymoon of office, finds itself confronted with a situation which the Toronto Financial Post sums up as follows:

"1. A deficit of some $3,000,000 for the last fiscal year, ended March 31, 1933.

"2. Unfunded debts of $17,000,000.

"3. Curtailed revenue which already this year is $800,000 below that of last year.

"4. Municipalities demanding restoration of their former grants.

"5. Hospitals facing bankruptcy unless the Government extends assistance.

"6. Unemployment costs likely to rise during the winter.

"7. Promised abolition of 'nuisance taxes' and exemption of small income earners from income taxes."

The case with Saskatchewan and Alberta is not much better. Both provinces find it impossible to balance their budgets, have exhausted their capacity for taxation, find it impossible to service their debts. Therefore, confronted with Mr. Bennett's ultimatum that they must balance their budgets and set their financial houses in order before they can borrow more money from Ottawa, their postion is desperate.

Refunding of debts seems the only way out. Just how a refunding plan could be worked out, seeing that much of the debt is in the United States, is not clear. On the other hand, it is not likely that Ottawa would want to see default, this reacting on the national credit as a whole, so a solution of some sort will have to be found.

But no real solution will be found unless the provinces themselves take to heart a few fundamental truths. The most fundamentad is that reckless extravagance, with outgo persistently exceeding income, leads inevitably to bankruptcy.

Other People's Views

Shrinking City Revenues

Saskatoon Star - Phoenix: The simple fact is that the ability to pay taxes is vanishing and, as has been discovered by governments generally, the imposing of new assessments does not usually result in increased revenue. And increased levies should be avoided if at all possible. But the only alternative to increasing taxation is to keep expenditures in check. The commissioner's suggestion at the annual civic meeting that the time has arrived "when a careful study of existing services should be made for the purpose of seeing if certain of them cannot be eliminated, or at least curtailed," is worthy of most earnest consideration.

World Trade Report Shows Favorable Trend

Generally favorable reports of conditions in leading countries of the world are contained in the weekly foreign summary issued by the United States Department of Foreign and Domestic commerce. Details by countries follow:

Irish Free State—Conditions in the Irish Free State remain generally depressed, with livestock exports particularly small.

Spain—Business confidence has improved in Spain, and foreign trade is recovering slightly.

Poland—A tendency to decline has appeared in Polish business after gains in the late summer.

Italy—Fairly good domestic demand is sustaining industrial activity in Italy, but exports are rather slow.

Czechoslovakia—Seasonal gains are reported in Czechoslovakia, and the foreign trade position is better than last year.

Hungarian crops surpassed expectations, but prices are extremely low.

Egyptian foreign trade position this year is better than in 1932.

South Africa — Seasonal lines of trade in the Union of South Africa have become more active, but business has lagged in the country districts where drought was not relieved until November.

Chinese crops generally exceed last year's; Shanghai's foreign trade showed a small decline in imports and a heavy export gain as compared with last year.

New Zealand exports in the first three quarters of this year were the largest since 1930, but imports have declined to the lowest post-war level.

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CAN YOU POINT WITH PRIDE

Dr.
Cr
BALANCE

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"MAKING YOUR WILL"

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The Week in Business

Betterment in 1933

ECONOMIC developments of far-reaching importance characterized 1933. The financial observer has been kept upon the alert in the attempt to place the proper interpretation on a rapid succession of events. Governmental intervention, notably in the United States and Germany had a strong influence on the trend of economic activity.

The Canadian situation was greatly bettered from one standpoint at least, by the departure of the United States from the gold standard and the depreciation of the American dollar. The premium in New York funds had created a serious problem for Canadian debtors forced to meet the obligations in the United States. The currency manipulation of the Washington Administration has alleviated this difficulty for the time.

* * *

Increased Exports Help

THE outlook in Canada has also been greatly bettered by the revival of external markets. The greater activity in the lumber, paper and mineral industries, for example, has been brought about mainly by the increased demand in American and overseas markets.

Unless counterbalanced by higher prices, the low level of agricultural production in 1933 caused by deficient moisture, will act as a reactionary factor during the next nine months.

The Financial Post index in its final form was 89.6 in November, compared with 91.3 in the preceding month, a decline of 1.7 points.

* * *

Gains Mix With Losses

OF THE week's figures, mineral production factors showed decline in November from the relatively high level of the preceding month. The manufacture of foods was mainly reactionary, the output of rolled oats and the manufacture of sugar being exceptions. Exports of cheese at 14,346,400 pounds also showed a gain after seasonal adjustment. The gain in hog slaughterings was less than normal for the season, while declines were shown in cattle and sheep.

The release of cigars and raw leaf tobacco showed gains after seasonal adjustment, while cigarettes recorded decline. Imports of raw cotton, cotton yarn and wool showed important gains in November, the adjusted index being 137.5 compared with 118.6. Raw cotton imports were 19,058,000 compared with 12,287,000 in October. The index of petroleum imports was 181, compared with 154, the total in November being 97,761,000 gallons. The index of manufacturing production was 86.2 compared with 87.9.

Building permits were $1,609,874 compared with $1,762,000, the adjusted index being 16.3 compared with 14.7. The index of electric power production was 158.1 compared with 148.8, the average daily output being 56,751,000 kw.h. compared with 52,187,000. The gain in trade employment was less than normal for the season, the adjusted index being 112.8 compared with 113.9.

New Industries and Plant Extensions in Canada

Compiled Weekly By The Financial Post

Wonderland Co., formed in Hamilton, Ont., by local unemployed architects, draftsmen and pattern makers, is making miniature furniture from wood. Designs are duplicates of modern furniture.

Hull Match Corp. has recently purchased a school building in Hull, Que., and early in 1934 will start construction and installation of machinery for a match factory designed to give employment to 100 men.

Hess & Clark Ltd. has decided to locate permanently in London, Ont., and is negotiating for the purchase of a plant in which to manufacture livestock remedies, disinfectants, and insecticides. The firm has been operating in London experimentally for approximately a year. Head office of the company is in Ashland, Ohio.

Commodity Prices

Commodity Prices at Wholesale‡

	Week ending Dec. 22	Previous week	Same week last yr.
Cattle, cwt.§	$6.10	$5.50	$4.75
Copper, lb.	.08¼	.08	.05
Cotton, lb.	.1025	.1020	.0595
Rubber, lb.	.0888	.0880	.0317
Sugar, raw, lb. .	.0319	.0319	.0280
Silk, lb.	1.45	1.47½	1.50
Wheat (Man.) bu.‡	.61⅝	.58⅞	.42
Hides, lb.	.09	.10	.05
Coffee, lb.	.08¼	.08⅛	.08½
Weekly Indices♦			
N. Y. Annalist■	100.8	102.1	85.6
Fishers'*	72.0	71.7	†62.0
N. Y. Journal of Comm.*	71.2	71.6	56.5
Crumps (Brit.)*	63.6	63.4	†62.4
Can. (D.B.S.)▲ .	84.8	85.3	....
U. S. Labor* ...	70.9	70.7	63.1

†Average, 1932. •Dec. 9.
■Week to Dec. 19. §Dec. 21.
▲Dec. 9. ‡Dec. 24.
•Dec. 16.

Monthly Indices♦

Canada (D.B.S.)	Latest w'sale	Prev. month	Same month last year
W'sale (Nov.) ...	68.7	67.9	64.7
Retail (Nov.)	78.1	77.9	79.9
U. S. Labor (Nov.) .	71.7	71.2	63.9
Gt. Brit.* (Oct.) ...	69.2	69.6	68.2

♦N. Y. Annalist base, 1913, others 1926 = 100.

*Board of Trade Index, converted from 1913 base.

‡Basis of price quotations is as follows: cattle—steers, good, over 1,050 lbs., top price, Toronto: copper—electrolytic, New York; silk—Japanese, 13-15, New York: sugar—96 degrees centrifugal c/f New York: wheat—No. 1 Man. North., Ft. W.-Pt. A. basis; hides—heavy native steers; coffee—Rio, No. 7, spot, New York.

Business Conditions in Canada

BRITISH COLUMBIA BASIC REVENUE JUMPS $5,000,000

Lumber, Farming, Mines and Fisheries Improve in 1933

From Our Own Correspondent

VANCOUVER.—Revenue from British Columbia's basic industries will probably disclose an increase of more than $5,000,000 over the previous year, according to official estimates made here, based on the returns of the first eleven months.

Lumber, farming, mines and fisheries will all show a distinct upturn, indicating that the provinces has probably seen the worst of its industrial depression and that it is now on the road to recovery.

Pay Roll Up $7,000,000

Industrial payrolls will show an increase this year aggregating about $7,000,000.

Due to the spectacular recovery of the export market, particularly in the United Kingdom, the lumber trade shows the biggest gains for the year. There will be an increase of some $3,500,000 in the revenue of the lumber industry alone this year. Estimated value of production of lumber and shingles is $88,500,000. Development of lumber exports, due to collapse of the United States field following imposition of the new tariff, has resulted in the opening of all the major mills, increasing employment and raising wages in mills and logging camps in all sections of the province. Signs point to a continuance of this improvement and, if British Columbia secures even a large proportion of the United Kingdom business now being actively sought, there should be a healthy increase in the industry's revenue next year.

Gold Camps Boost Mining

Activity in the gold camps of Bridge River is chiefly responsible for the advances made in mining revenues this year. Value of production will be slightly over $30,000,000. Metals have shown an upward tendency and, if continued, this should result in a more pronounced upswing next year. Increase in mining revenue over last year is set at about $1,750,000.

Farms report an improvement of about $100,000. Most of the agricultural producers are still experiencing dull times, but efforts are being made to effect better organization of the Okanagan fruit growers and if they can extend their foreign markets and get a fair price there should be little to worry about next year on that score.

Business Briefs

Concentrated milk production in November was 17 per cent ahead of production in November, 1932. Total production for all items in the 11 months ending November 30 was 7,578,546 lbs. as compared with 78,423,479 lbs. in the same period 1932. Production of creamery butter in November totals 11,341,502 lbs. decrease of 10 per cent from November, 1932, production. Alberta was the only province to show an increase. Cumulative production for the first 11 months of 1933 showed an increase of 2.3 per cent over the same period of 1932. Decreased production in November is the fraction of lower supplies of grains and forest crops available in many districts.

Pig iron produced in November totalled 29,592 long tons, highest tonnage to be reported for any month since July, 1931. Production in the first 11 months of 1933 is 190,464 tons, advance of 39 per cent over total in same period of 1932.

Steel ingot production in November was 43,099 tons which compares with 37,088 tons in November, 1932, and 48,496 tons in October, 1933. November production was slightly under October production in the ingot grade while production of direct steel castings was slightly higher. Prices showed little change with the Dominion Bureau of Statistics Index Number of Wholesale Prices of iron and its products up to 86.1 from 85.7 to keeping with price advances for galvanized steel sheets and scrap iron and steel.

Births in the 11 months ending November 30 in Canada totalled 73,896, decrease of 7 per cent from births in the same period of 1932. Deaths at 42,171 were down 8 per cent, and marriages at 27,210 were down ½ of 1 per cent.

Imports from British Empire countries in the 12 months since the Empire Trade Agreement became effective totalled $131,222,000, as compared with $129,332,000 in the previous year.

Creamery butter produced in Alberta in November totalled 720,150 lbs. decrease of 13.6 per cent from November production of 1932 and decrease of 40.1 per cent from October, 1933, production. Total production in the 11 months ending November 30 was 18,691,851 lbs. and even with an anticipated drop in production during December the total for the year is expected to exceed the previous annual peak of 18,960,352 lbs. in 1931.

Population of Australia is set at 6,630,600 by the 1933 census which shows 3,367,815 males and 3,262,785 females. The census for 1921 recorded a population of 5,435,734. Population of states and territories is as follows: New South Wales, 2,601,104; Victoria, 1,820,360; Queensland, 947,789; South Australia, 580,987; Western Australia, 438,948; Tasmania, 227,605; Federal Capital Territory, 8,947 and Northern Territory, 4,860.

Paint exported in November was valued at $42,756 as compared with $17,967 in November, 1932. Varnish exports were up to $4,420 from $2,669.

Automobile production in November numbered 2,291 cars compared with 2,204 cars in November, 1932. In the first 11 months of 1933, 62,662 cars were made in Canada as compared with 58,677 in the same period of 1932. Exports in the current year totalled 19,243 cars as compared with 11,890 cars in 1932 while imports are up to 1,618 from 1,432.

Gains General During 1933 For Five Economic Areas

But Prairie Business Shows Sharp Decline in Last Month Due to Poor Wheat Crop

By SYDNEY B. SMITH.

Regional indices reflect general improvement in Canadian conditions during the greater part of 1933.

In Quebec the lowest point of business activity was reached in the early spring, a sharp advance being recorded from April to September. In the last two months moderate recession has been apparent. The low point in the maritime provinces was also reached in April, but the recovery was more persistent. The low point for Ontario was reached in March, the gain during the spring and summer being pronounced.

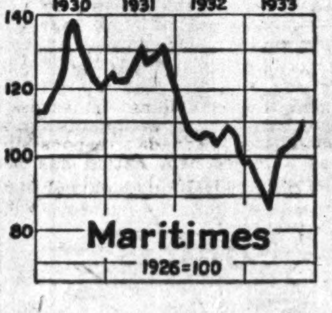
The level in the last three months has been well maintained, consolidating the advance. The prairie provinces also recorded a sharp improvement in conditions, the reaction of recent months reflecting a grain crop considerably below the average. Conditions in British Columbia have shown improvement for about 12 months, the low point of the depression having been passed at least temporarily in the latter months of 1932.

Most Factors Gain

While some variation was shown between the trends in the five economic areas, the advance in business activity was general for each of them. Measured by the factors detailed below business conditions were at a considerably higher level in the last quarter than in the early months of the year. In the determination of the trend, six factors common to each of the economic areas are used, besides several additional factors designed to measure conditions peculiar to each area.

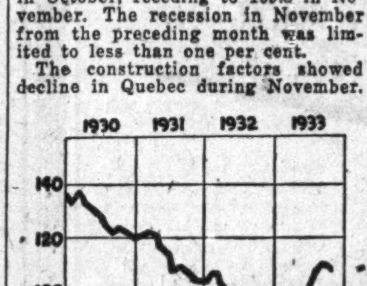
Electric output in Canada was 17.5 p.c. greater in November than in the same month of 1932. Employment on December 1 was 10.4 p.c. greater than at the same date of last year. A gain of 15 p.c. was shown in bank debits. Construction contracts awarded were up 4.5 p.c. and the sales of life insurance recorded a gain of 0.4 p.c. The only factor out of the six showing a decline was building permits. The comparisons indicate the marked progress made over November of last year, measuring the extent of the recovery in the year just drawing to a close.

Maritime Provinces—The index for the Maritime provinces was 88.7 in April, a steady advance of the last seven months resulting in a standing of 110.1 in November. The gain in November over the preceding month was about 3 p.c. Statistical factors coincide with other information in proclaiming the definite improvement in the area. Six of the nine factors October. Construction contracts recorded gains in November over October. Construction contracts showed a marked gain, while building permits were at a lower level. Employment after seasonal adjustment showed a gain of 6.1 p.c. Electric output was not so heavy. Bank debits and sales of life insurance recorded gains of 6 p.c. and 14.5 p.c., respectively. Exports through Maritime province ports showed a gain of 72 p.c. and imports recorded a slight gain. The gain in the index was 3 p.c. the standing being 110.1 compared with 106.9 in October.



Quebec — The index of Quebec moved up from 91.7 in April to 110.8 in October, receding to 109.8 in November. The recession in November from the preceding month was limited to less than one per cent.

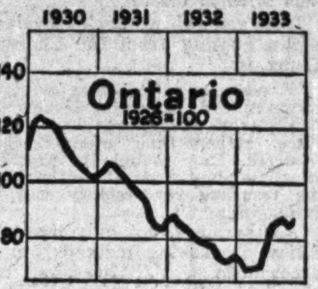
The construction factors showed decline in Quebec during November.



The electric power output was up 2.5 p.c. after the usual adjustment. The index of employment was 3 p.c. higher, while bank debits recorded a gain of 11.4 p.c. The production of boots and shoes reached a lower level. The imports of raw cotton by the textile industry increased 15.4 p.c. Production of newsprint recorded a gain of 3.5 p.c. The net result was that the index of Quebec was 109.8 compared with 110.4 in October.

Ontario—The gain in the index of Ontario from March to November was nearly 20 p.c., the interruption in the advance being the recession of October.

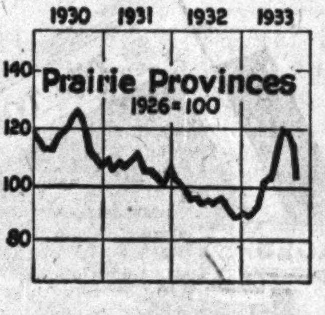
Construction operations continued at a low level, a large percentage gain being shown in building permits after seasonal dajustment. Electric output recorded a gain of 16 p.c., and employment was up 5.4 p.c. The decline in bank debits was 3.4 p.c., while sales of life insurance showed a gain of 23.5 p.c., the adjusted index moving up from 81.2 to 100.3. Inspected slaughterings of livestock slackened in November. The index of steel production was 68.1 compared with 77.0, and motor car production was at a low ebb pending the introduction of new models.



The index of business in Ontario was 87.4 compared with 85.7, a gain of practically 2 p.c.

Prairie Provinces—The index of the Prairie provinces advanced from 90.0 in February to 120.9 in August receding to 103.0 in November.

A gain was shown over October in construction contracts after seasonal adjustment but the level of building remained at a relatively low level The index of electric power production was 196.2 compared with 180.0 in October. Bank debits and employment reached lower levels in November after the usual adjustment. Sales of life insurance recorded a gain of 4.5 p.c.

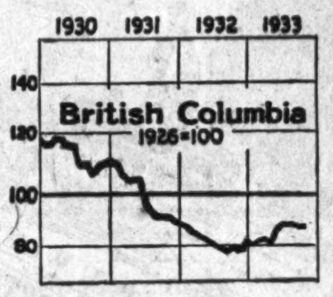


Receipts of wheat at country elevators and platform loadings were 23,010,000 bushels in November compared with 46,412,000 in October, a sharp decline being indicated even after seasonal adjustment. The average price of No. 1 Northern wheat was 63.7 cents per bushel compared with 60.5.

The index of the Prairie Provinces was 103.0 compared with 112.8 in October.

British Columbia—The gain in the index for British Columbia from January, the low point of the year, to November was 11.5 p.c., the standing being 89.8 compared with 80.9. The advance was fairly continuous during the year with only minor interruption.

Both factors showing the trend of the construction industry were higher in November than in the preceding month. Electric output showed a gain of 3.8 p.c. and the gain in employment was 5.6 p.c. Bank debits showed a decline, while sales of life insurance were up about 13 p.c.. Imports and exports through British Columbia ports were not quite equivalent to the level of October. Tonnage of vessels leaving Vancouver was slightly greater in November than in October.



The business index of British Columbia was 89.8 compared with 89.2, a gain of 0.6 p.c.

Free Insurance Allowed On Parcels Up to $50

All parcels posted in Canada for delivery in the Dominion may be insured up to $50 without insurance fee, if so requested by the sender, according to an announcement by Hon. Arthur Sauve, postmaster general.

It was also announced that parcel post is now accepted in the Dominion at the rate applicable "to the nearest pound." For example, a parcel weighing from one pound up to one pound eight ounces, will be liable to postage at the rate for a pound parcel. A parcel weighing from five pounds up to five pounds, eight ounces, will be liable to postage at the rate for a five-pound parcel.

McIntyre Heads Livestock Exchange

N. F. McIntyre was re-elected president of the Winnipeg livestock exchange by acclamation at the annual meeting held recently. A. I. Slotin was elected vice-president on a second ballot.

EMPLOYMENT UP IN BORDER CITIES

Believe Outlook Better For 1934 in Automotive Industry

Employment in the border cities of Ontario showed an increase during November over the preceding months with 323 more employees than in October. This is the first increase over the preceding month since last July. During November, there was a total of 11,376 persons employed as compared with 11,053 employed in October and 10,964 employed in November, 1932. Chief increase came in the automotive industries which has 6,053 employed during November, an increase of 262 over the preceding month. In the non-automotive industries, a total of 5,323 were employed, an increase of 61 over the preceding month.

Customs receipts at Windsor, Walkerville, and Sandwich totalled $662,796 during November as compared with $599,578 in October and $580,888 in November, 1932. Bank clearings in Windsor totalled $95,506,183 in November as compared with $8,229,174 in October and $9,193,468 in November, 1932.

A survey recently completed by the Chamber of Commerce on the outlook for 1934 indicates that Border Cities automobile accessory companies feel that the general outlook for 1934 points to a definite improvement. Border Cities retailers report a decided improvement in business since mid-summer of 1933 and feel that this improvement will be maintained or strengthened in 1934. Increase in employment is anticipated particularly by companies engaged in the automobile industry although companies engaged in the manufacture of iron and steel products report that no substantial improvement in those lines appears likely for some considerable time due to the pronounced inactivity of the building trade.

ONTARIO SHOWS GAIN IN BUILDING

November Permits Down 37 p.c. from Last Year — Quebec Has Decrease

Building permits issued by 61 Canadian cities during November had aggregate value of $1,609,374 which represented a seasonal decline of 8.7 per cent of the October total of $1,762,347 and a drop of 37 per cent from the value of permits issued in November, 1932. Nova Scotia, New Brunswick and Ontario reported increases in the value of buildings authorized as compared with October and the most marked gain was that of Ontario amounting to 34.7 per cent. Quebec had the largest decrease amounting to 40.1 per cent. As compared with November, 1932, Manitoba and Alberta reported increases while the greatest decline was that of Ontario amounting to 38.2 per cent.

Value of permits issued in the first 11 months of 1933 is reported at $19,653,928 by the Dominion Bureau of Statistics, or only 13.6 per cent of the value of permits issued in the same period of 1926. The average index of wholesale prices of building materials in the same period was 78.1 slightly higher than the 77.4 for the same period of 1932.

We have prepared a recommended list of common and preferred stocks with statement of comparative earnings and prices.

A copy will be sent free on request.

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U. K. IMPORTERS BUY IN ADVANCE

Southern Alberta Cattle Purchased for 1934 Delivery

From Our Own Correspondent

LETHBRIDGE.—Old Country money has been made available for the purchase of 1,000 head of choice feeder calves in Southern Alberta to be placed on farms where they will be finished for export to Britain in the spring. The cattle, calves, yearlings and a few two-year-olds, were purchased by W. C. McKenzie, of the Southern Alberta Co-operative Association, for a large livestock importer of London. They were secured from the ranches and were a well-bred, thrifty lot.

This is an interesting new development in the livestock feeding industry in this territory and indicates the keeness of British dealers for cattle from the Canadian West, the quality sent across the past few years being wholly convincing. This is the first time British money has been made available for the purchase of feeders for finishing in Canada and the move has important possibilities.

This importer, whose name is not disclosed, has handled Southern Alberta Red Label beef for some years and so pleased was he with them that he sent his money to Canada to tie-up at least 1,000 head for his trade next spring. If this venture is successful, Mr. McKenzie points out, it may pave the way for extensive feeding and finishing of cattle on the same basis. It is a clear-cut deal, he says. The rancher knows what he is getting for the animal, getting his money at the time the sale is made. He is not left to worry until next spring to know how the deal is going to turn out. He has the use of the money in the fall when he needs it to clean up his obligations.

The feeder, on the other hand, knows what he is going to get for his contribution to the "triangle deal." The British importer is paying him seven cents a pound for every pound of gain he puts on the calves. The importer is not left in the dark either for he knows exactly how many head of cattle that will be available for his trade in the spring. He can thus study the market and decide when to bring over the finished cattle. Moreover he can arrange ahead for his boat space. The importer is insured against loss, protecting himself in this way.

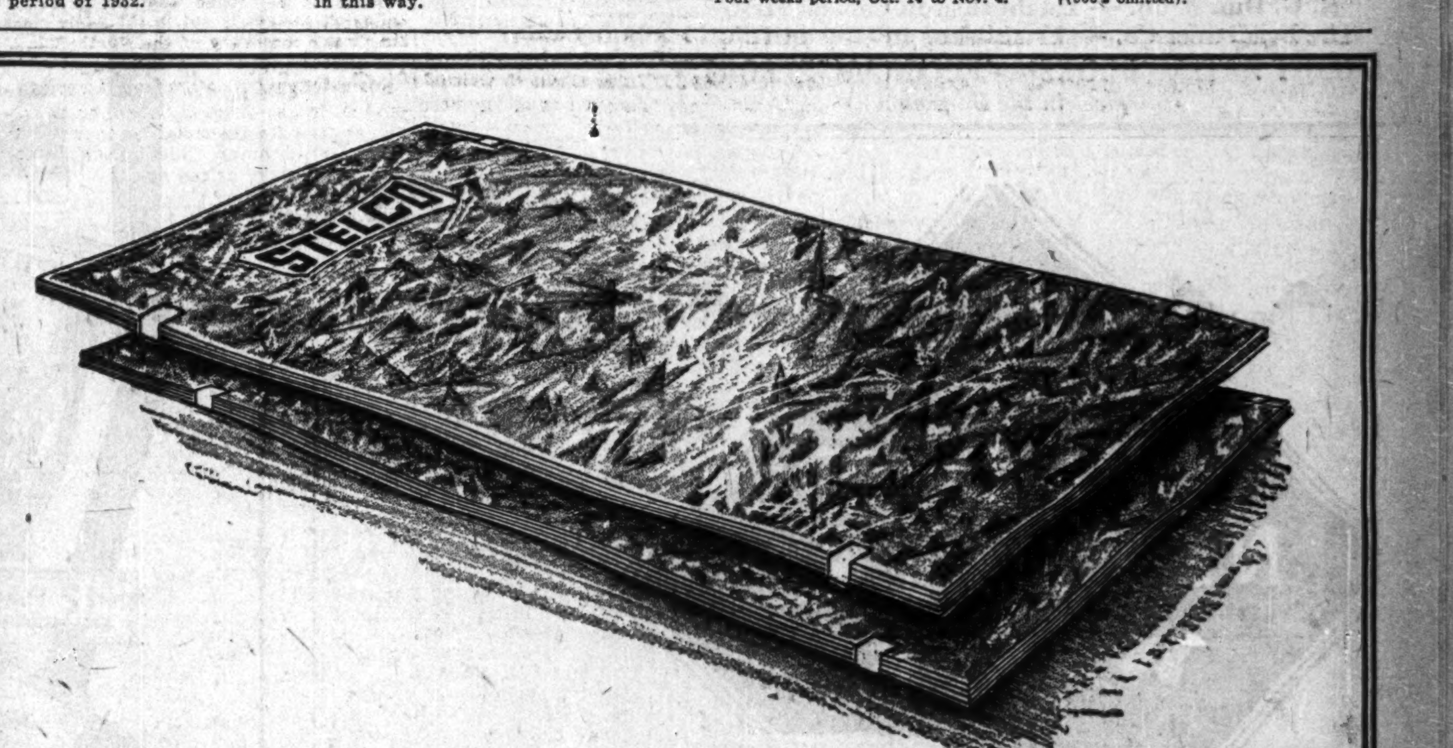
The Toronto Industrial Commission reports 28 new industries for Toronto in 1934 as compared with 18 in 1932. The new industries are giving employment to 493 persons and are using 207,600 squ. ft. of factory floor space previously unoccupied. In 1932, the 18 new industries gave employment to 395 persons and occupied 200,400 sq. ft. of floor space.

Canadian Business Indicators

Compiled by The Financial Post

	Weekly Latest 1933	1932	Cumulative Jan. 1 to date 1933	1932
Transportation—				
Car loadings (Dec. 16)	38,888	36,494	1,967,174	2,118,791
C. P. R. gross earn. (Dec. 14)	$ 2,303,000	$ 2,320,000	$ 107,230,000	$ 116,697,000
C. N. R. gross earn. (Dec. 14)	$ 2,816,146	$ 2,752,595	$ 137,264,673	$ 148,972,942
	Monthly			
C. P. R. net earn. (Oct.) ...	$ 4,058,447	$ 3,923,573	$ 14,029,898	$ 14,454,943
C. N. R. net earn. (Oct.)	$ 2,542,586	$ 2,692,726	$ 3,449,958	$ 5,294,535
Iron and Steel—				
Pig iron, tons (Nov.)	29,592	14,149	190,464	117,099
Steel, tons (Nov.)	43,099	37,088	358,424	312,033
Automobile prod. No. (Nov.)	2,291	2,204	62,662	58,677
Auto Vehicles—				
Passenger, sales, No. (Oct.)	1,606	1,312	37,779	36,893
Trucks & buses, sales, No. (October)	496	412	5,271	6,748
Auto. exports, No. (Nov.) ..	1,786	1,486	19,243	11,890
Construction—				
Building permits (Nov.) ...	$ 1,609,874	$ 2,553,373	$ 19,653,928	$ 40,750,142
Contracts (November)	$ 10,637,200	$ 10,170,400	$ 89,082,200	$ 132,872,400
Newsprint—				
Production, tons (Nov.)	193,718	161,334	1,833,419	1,774,188
Exports, tons (Nov.)	162,292	158,568	1,652,462	1,689,765
Sugar—				
Imports, raw, lbs. (Oct.) ...	28,612,100	48,444,800	451,860,000	626,209,300
Melt. & ship., lbs.*	65,532,210	76,543,080	688,110,234	737,944,993
Manufactured, lbs.*	112,533,399	115,873,720	685,908,267	772,487,907
Flour—				
Production, bbls (Oct.)	1,650,557	1,721,598	11,088,887	11,512,521
Wheat flour exp., bbls. (Nov.)	547,602	576,864	4,671,953	4,689,758
Other Industrial Indices—				
Lumbering: Plank & board exports, mill, ft. (Nov.) ..	102.77	46.37	919.27	636.51
Boots and shoes, pr. (Oct.)	1,833,771	1,599,190	16,905,234	15,539,820
Petroleum, imp., crude gal. (October)	91,713,858	83,448,516	697,661,284	805,328,698
Cotton, imp., raw, lbs. (October)	12,288,000	7,029,000	80,837,192	68,161,000
Rubber, raw, imp. lbs. (Oct.)	5,780,000	2,704,000	34,419,451	41,177,678
Coal, imports, tons (Oct.) ..	1,210,691	1,331,774	9,153,690	9,271,590
Gasoline sales, gals. (Sept.) .	61,620,000	63,441,000	379,947,000	389,889,000
Trade—				
Imports (November)	$ 43,711,559	$ 37,769,047	$ 365,586,758	$ 423,653,045
Exports (November)	$ 60,384,590	$ 45,944,520	$ 480,545,323	$ 451,193,045
Wheat exports, bus. (Nov.) ..	23,143,958	27,301,976	174,510,898	200,483,754
Labor—				
Employment Index (Nov.) ..	88.4	84.7	......	......
Electric Power—Output—				
M. Kilowatt hours (Nov.)	1,702,558	1,448,227	15,843,841	14,429,791
Finance—				
Failures, No. (October)	144	199	1,729	1,995
Failures, Liabilities (Oct.) ..	$ 2,321,926	$ 3,439,220	$ 28,669,253	$ 34,506,706
Bank debits (Oct.)†	$ 2,823,400	$ 2,367,200	$ 24,652,117	$ 21,293,389
Bond sales (Nov.)	$ 6,567,340	$ 1,093,500	$ 482,391,089	$ 374,328,358
Insurance sales (Nov.)	$ 34,185,000	$ 34,003,000	$ 326,555,000	$ 370,440,000
Automobile Financing—				
Used cars (October)	$ 663,722	$ 864,629	$ 9,154,966	$ 11,669,424
New cars (October)	$ 688,736	$ 722,756	$ 9,262,200	$ 11,729,662

*Four weeks period, Oct. 14 to Nov. 4. †(000's omitted).



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Canadian Newsprint Output for 1933 to Reach Mark of 2,000,000 Tons

Production to November 3.5 Per Cent Ahead of Last Year

OTHER AREAS EASIER

Statistical Position Stronger Than Reported Toward Close of 1932—Stocks Are Low

From Our Own Correspondent

MONTREAL. — Canada's newsprint industry will turn out slightly better than 2,000,000 tons of newsprint, judged by returns for the first eleven months and prospects for December.

This estimate compares with an actual output of 1,950,000 during 1933, and with the record output of 2,728,827 tons in 1929.

During the first half of the year operations in Canadian mills were not particularly satisfactory. Marketing conditions continued to be disturbed as much as in 1932, while the volume of advertising in the United States' newspapers continued at a low level.

Change at Mid-Year

Since last July there has been a marked improvement in advertising and in the volume of consumption of newsprint. Mill shipments and production have steadily mounted and in November production and shipments of Canadian paper were higher than for any previous month in the past two years.

According to the News Print Service Bureau, Canadian plants produced 193,718 tons of newsprint in November last. This compared with 191,452 tons in the previous month and with 161,334 tons in November, 1932.

Gain of 62,992 Tons

Operations last month brought the cumulative output for the first 11 months of this year up to 1,933,416 tons, or 62,992 tons more than for the corresponding period of 1932.

In order to equal the 2,000,000 tons production mark for 1933, the mills will have to manufacture 166,000 tons this month. From the way demand has been running lately, it is thought that the mills will have little trouble in reaching that mark.

Shipments of newsprint from Canadian mills have kept pace with production. Exports aggregated 201,102 tons last month, bringing the total for the year to date up to 1,844,541 tons compared with 1,776,232 tons in 1932.

The excess of shipments over production in November, 1933, is explained in part by the last-minute rush to take advantage of the water route in making shipments to points on or near the Great Lakes.

U. S. Mills Gaining Ground

American mills turned out a larger quantity of newsprint in November but it is unlikely that they will be able to reach last year's mark for the full year when 1,006,569 tons were manufactured.

Production in the U. S. in November, 1933, totalled 87,567 tons. This is the largest monthly return since April, 1932, and compared with 81,662 tons in November last year.

For the first eleven months this year the American industry produced 863,031 tons against 928,799 tons last year.

Shipments of newsprint from American mills during the past month aggregated 86,829 tons, bringing the total for the year up to 866,277 tons. This compares with 931,324 tons in the first eleven months of 1932.

Old Colony Operations

Newfoundland mills registered more activity in November, having an output of 26,538 tons. This compares with 21,195 tons for the same period a year ago.

From present indications it would appear that the Newfoundland mills will about equal last year's production. During the second and third quarters production tended to trail behind that reported for 1932, but the gains in the first and last quarters will largely, if not completely, offset this loss.

Stocks at Low Point

An encouraging feature of the newsprint situation just now is the steady decline in mill stocks. At the beginning of this month the American and Canadian mills reported 50,534 tons of newsprint on hand. This was roughly 26,000 tons less than on the same date a year ago; as a matter of fact, it is the lowest supply on hand for more than two years.

New Manager

CHARLES A. ASHTON

Who has just been appointed manager of the Montreal office of Jenks, Gwynne & Co., members of the New York Stock Exchange and Montreal Curb Market.

GASOLINE DROP GIVEN MEMBERS OF MOTOR LEAGUE

Two Cents Discount Increases Sales Volume of Certain Retailers

Arrangements made by Ontario Motor League whereby members could, on presentation of membership card, secure from 26 named retailers a discount of two cents a gallon on gasoline and five cents a quart on oil (cash sales at pump) have created quite a flurry in oil circles. It is understood that Ontario Motor League offered this service in competition with a rival association which was attempting to get members last spring by this particular service.

This arrangement in no way affected prices paid to manufacturers and wholesale distributors of gasoline and oil but the retailers themselves absorbed the difference of two cents a gallon on gasoline and 5 cents a quart on oil, trusting to get their profit by increasing their volume of sales. It is understood that service stations have had a range of slightly more than four cents a gallon between price paid for their product and the sales price to the public. It is claimed that the rapid increase of stations up to the end of 1929 left a situation where this range is hardly enough for most stations when depreciation and interest on investment is included. However, such a large number of buyers were drawn to the retailers giving the two cent discount that the latter reported themselves satisfied with the experiment.

One Company Opposes

The matter was an embarrassing one for the chief oil companies. One company is reported to have taken advantage of clauses in its lease to force lessees to abandon this plan. The company's view is that if this competition forced all the service stations to drop the price two cents a gallon, the "pulling" advantage of the decline would be lost and all would find themselves losing money. This would bring about increased rates again, it was stated, and cause unrest by consumers who would not understand what was back of the moves down and up.

Twenty-six service stations were listed by Ontario Motor League as willing to give the discount referred to. Some have withdrawn under company pressure, the companies contending that for the industry as a whole the drop was uneconomical and unfair and in the end profitable to nobody.

Tax Avoidance Legitimate Says U.S. Supreme Court

Always Within the Law, Taxpayer Entitled to Arrange Affairs So That Tax Exacted is Least Possible, Article in Forbes Magazine Shows

Public indignation has been aroused in Canada and the United States on certain tax evasions. It is certain, however, that individuals and corporations are continually adopting measures which allow them to pay less in taxes, but without violating the law. Within his legal rights, and within the law, the taxpayer is entitled to pay as little taxes as possible, in the opinion of the Supreme Court of the United States. The view of the highest American court on this question is sketched by M. L. Seidman in Forbes Magazine as follows:

The right of a taxpayer to take such steps as will result in minimizing his tax liability has been voiced repeatedly by our courts.

The United States Supreme Court has said "it is not unnatural for any thoughtful business man to take such steps." More affirmatively, the court adds that a taxpayer is to be commended if he is able to "select a method of carrying out a given transaction that produces less tax than if a different method had been followed."

A taxpayer thus has a perfect right to follow every legal means of avoiding a tax. The simplest illustration of this principle is that of the man who invests his money in tax-exempt securities instead of in taxables, to make his income from securities completely tax-free.

Moreover, a taxpayer has a perfect right to carry on a given transaction in one way instead of in another and perhaps more natural way, if the first method eliminates the payment of a tax. Note, for example, this quotation, again from a Supreme Court decision:

"The Stamp Act of 1862 imposed a duty of two cents upon a bank-check, when drawn for an amount not less than twenty dollars. A careful individual, having the amount of twenty dollars to pay, pays the same by handing to his creditor two cheques of ten dollars each. He thus draws cheques in payment of his debt to the amount of twenty dollars, and yet pays no stamp duty. . . . He resorts to devices to avoid the payment of duties, but they are not illegal. He has the legal right to split up his evidences of payment, and thus to avoid the tax."

The general principle involved, again quoting from the Supreme Court, is:

"It seems to us to be fundamentally unsound to determine income tax liability by what might have taken place, rather than what actually occurred. Even though the practical effect may be the same in either case, the resulting tax liability may be quite different."

Furthermore, not only may one follow tax-saving methods but in accordance with the decisions one also is justfied in going the limit allowed by the law and in taking every advantage the law sanctions. "When the law draws a line, a case is on one side of it or on the other, and if on the safe side is none the worse legally that a party has availed himself to the full extent of what the law permits."

A few illustrations of the general principles involved may be helpful. In one case, for example, a close corporation was about to realize a large profit on the prospective sale of its property. Instead of making the sale and paying a tax, the corporation distributed the property to its stockholders, and the stockholders made the sale. The Government, nevertheless, got after the corporation for the tax, ignoring the distribution. The Supreme Court, in effect, said "nothing doing."

Here is its precise language:

"The profit derived from such sale inured to the stockholders and not to the corporation, as the dissolution was not a subterfuge. It was a fact and after its dissolution, the corporation, by the very nature of things, could not make a profit out of property to which it had theretofore parted with title and possession."

In a similar case, the court said:

"The right to change the status of an organization or to dissolve an organization in any legal manner is not made ineffectual because the motive impelling the change is to reduce or to avoid taxation in the future. The right so to do is an incidental right inseparably connected with an individual's right to own and control his property. It is altogether different from tax dodging, the hiding of taxable property, or the doing of some unlawful or illegal thing in order to avoid taxation."

Another case involved charitable contributions made by several members of a family to a certain memorial. A piece of property, instead of being gifted to the memorial all at once, was sold to it at cost (which was a fair price). For the sale price, the members of the family took annually maturable notes, which were in turn donated to the memorial as they matured.

Since the deductibility of charitable contributions is limited to 15 per cent of one's income in any given year, a gift of the property or of the entire sales proceeds in one year would have resulted in contributions too large in amount to be deducted in full in one year. The effect of this arrangement, therefore, was to enable the taxpayer to deduct the entire amount of the gift over a period of years, and still to stay within the 15 per cent annual limitation. The Government contended that, under the circumstances, the gift should be held to have been made entirely in the year when the property was turned over to the memorial and that the notes should be disregarded.

The court, in upholding the taxpayers' rights in the matter, stated:

"Because the method of establishing the memorial saved the petitioners taxes was no reason why it should be condemned. As any man may sell tax-burdened securities and invest the proceeds in those exempted taxation, these petitioners could lawfully arrange their gift in a manner incidentally diminishing their taxation instead of increasing it."

These are but a few instances illustrating the point that it is the taxpayer's right to keep his tax bill down to a minimum.

Furthermore, he may assume that Congress, in shaping our tax laws, is completely aware of the ways and means by which a taxpayer can keep his tax liability down; and that Congress expects taxpayers to take full advantage of them. Of course, a taxpayer must keep within the law. If he oversteps the mark, if he evades instead of avoids, if he dabbles with sham or frauds, the tax will not be defeated. Legitimate transactions, executed in good faith, however, will be upheld, no matter how drastically they cut the tax bill.

The principle bears repeating:

"When the law draws a line, a case is on one side of it or on the other, and if on the safe side is none the worse legally that a party has availed himself to the full extent of what the law permits."

Int. Chamber of Commerce Wants Uniform Postal Rates

The Postal Committee of the International Chamber of Commerce has adopted a number of recommendations which will be placed before the Cairo Postal Congress which meets in February, 1934. The International Chamber favors a more liberal regime for the admission and treatment of samples, the unification of letter post and parcel post rates at a reasonable level, the establishment of uniform conditions for the make-up and packing of mail, and of uniform rules governing postal prohibitions.

It also recommends the conclusion of a European postal agreement within the world postal union, along the lines of the agreements already existing, for instance between Great Britain and its Dominions and Colonies between the U. S. A. the countries of South America and Spain as well as between the Scandinavian countries and between Great Britain and the U.S.A. These recommendations also include 60 detailed proposals for the revision of the various articles of the universal postal convention and its attached agreements covering among other matters the weight and dimensions of letters, small packets and parcels, printed matter air-mail, insured letters and boxes, registered and C. O. D. mail and money orders.

Car Loadings Gain Over Seasonal Figure

Car loadings for the week ended December 16 amounted to 38,888 cars. This was an increase over last year's loadings of 2,394 and a decrease from the previous week's of 713. This decrease was less than the usual seasonal decrease and consequently the index number rose from 59.25 to 62.58. Grain was lighter than for the corresponding week last year by 992 cars, livestock was down by 95, coal by 55, and merchandise by 276, but all other commodities were heavier, miscellaneous freight leading with a gain of 1,407, followed by pulpwood with a gain of 790, pulp and paper with a gain of 525, and lumber and ore, each being heavier by 486 cars.

Light loading of grain and merchandise with lesser decreases in livestock, coke and other forest products more than offset increases in other commodities in the western division and the total of 13,929 cars was 79 below last year's total.

The eastern division showed substantial gains over last year's loading in miscellaneous freight, pulpwood, pulp and paper, lumber, ore

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The Toronto Star Weekly

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2 Comic Section

Comics have a universal appeal! To the alert manufacturer, the comic section offers a unique opportunity to get his story across to the whole family in a pleasing way. The milline rate for four colors in the comic section is exceptionally low.

3 Magazine Sections

Never for a moment has The Star Weekly tied itself down to any easy formula or routine of newspaper magazine presentation. It has at its command the entire syndicate organization in news features, fiction and art—yet its own staff of feature writers contribute the bulk of its front pages. Its own artists have been developed in the richest Canadian vein—and its fiction contains the best of Canadian authors.

The appeal of The Star Weekly to the varying temperaments of its great audience lies in editorial excellence of the paper as a whole and the careful handling of the special departments, such as Cookery, Fashions, Radio, Movies, Motor and other sections which go to make up a truly metropolitan week-end paper.

Its milline $1.31.

From the standpoint of pure arithmetic the low milline rate makes it a good buy.

4 News Section

The last Toronto newspaper to go to press on Saturday evening. It contains the latest general news, four or more sports pages with latest sporting results and reviews.

Its Financial, Social and Travel news complete the section which has a wide appeal to the men and women of this Province.

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SECOND SECTION

THE FINANCIAL POST

SECOND SECTION

Vol. XXVII Member of Audit Bureau of Circulations PUBLICATION OFFICE: TORONTO, DECEMBER 30, 1933 10c a Copy; $5.00 a Year No. 52

Business Activity as Year Ends Makes Outlook Bright for 1934

Textile Trades Lead General Recovery In Manufacturing

Improvement of Industry During 1933 Most Important Factor in Breaking Depression — Capital Goods Industries Slowest to Recover

FIGURES FROM KEY GROUPS SHOWN

Reports from Business Executives Across Canada Reveal Actual Trend of Industrial Operations in 1933 as Compared With Previous Year

In an attempt to arrive at an accurate estimate of business conditions and production during 1933 as they affected individual industries, The Financial Post Business Year Book obtained opinions and estimates from manufacturers, agriculturists and commercial leaders throughout the Dominion. The information obtained in this manner has been combined with The Business Year Book's own estimates of productivity, using monthly production statistics, price changes and marketing records as a basis. Leading items from this exhaustive survey are incorporated in the year-end business survey on this page and complete estimates and opinions will be published in the 1934 issue of The Financial Post Business Year Book, shortly to be published.

In any survey of manufacturing in Canada during 1933 the almost phenomenal recovery from the February depths of depression throughout the remainder of the year must stand out. It may seem something of a paradox that in an essentially agricultural country such as Canada a revival in manufacturing should be one of the most important factors in the recovery which has taken place, but this, nevertheless, is the case.

Without attempting to delve deeply into the economic changes which created this revival of manufacturing some reference must be made to one or two factors which paved the way for general recovery. First, all industries which are quickly affected by price changes received great stimulus in the spring of the year when commodity prices began a quick upward march. Secondly, the Imperial Conference of September, 1932, and to a lesser measure, the World Conference of June, 1933, paved the way for a revival of world trade in which Canada has taken even more than her share.

Drop Only One Per Cent

Despite the fact that the first three months of the year saw production at extremely low levels, the recovery during the remaining months was such that the total value of manufacturing production in 1933, as estimated by *The Financial Post Business Year Book*, was only 1 per cent below the figure for 1932. That an increase was not shown is almost entirely due to the fact that the capital goods industries, such as iron and steel and construction, were much slower than consumer goods industries in feeling the effects of the recovery. Some of the capital goods industries, in fact, did not recover at all during the year.

Many important industries had higher production in 1933, than in the previous year, five of the six leading industries in Canada actually being in this category. On the other hand, the extremely low level of construction affected many industries, both large and small, and reduced their value of production as compared with 1932.

The following survey by The Financial Post Business Year Book gives a complete picture of manufacturing in 1933, segregated by industries and industrial groups.

Wood and Paper

Value of production in the leading industries in this grouping will be less than in 1932. The greater activity of the newsprint industry is somewhat offset by lower prices while the lumbering activity of the 1933-34 winter will not be reflected in 1933 figures.

For 1934, the outlook is considerably brighter than for any of the past four years. If general business improvement continues the wood and paper sundries industries will immediately benefit. Advertising appropriations are on more generous scales than in 1933, so that the newsprint and printing and publishing industries will benefit.

Lumbering Revives

The success of the lumber industry of Canada in finding markets for its products during 1933, following the practical elimination of the United States as a market through the operation of a prohibitive tariff, is almost without parallel in the history of Canadian industrial life. Closing of the United States market plus opportunities presented by the Ottawa Conference of 1932 were important factors in inaugurating a profitable business with Australia and Great Britain. So great was the demand from these countries and from Africa and China that export of lumber from the Pacific Coast in August, 1933, actually reached an all-time high record in volume.

Reports from both British Columbia, the centre of the fir and squared timber industry, and from the important lumbering areas in the Eastern Provinces, indicate that woods operations in the 1933-34 winter were on a wider scale than at any time since the peak winter of 1929-30. These operations, however, will not show until 1934 figures are published. Actual lumber production in Canada in 1933 is not expected to reach more than 70 per cent in the 1932 figure or about 1,000,000 M. board feet. This will be the smallest output in more than twenty years.

Pulp Demand Higher

Definite improvement was recorded in 1933 in certain divisions of the pulp and paper industry. While the general situation is not all that might be hoped for, yet the improvement, though small, has been encouraging. Improved demand and better prices for the various grades of pulp and a somewhat better demand for paper products have enabled the manufacturers to hold their own.

Production in 1933 is estimated at little more than that reported for 1932, when $135,634,983 worth of pulpwood, pulp and paper products were turned out. This is a lower figure than reported for several years past, due to the smaller values for pulp and paper products. Production held up fairly well in 1933 and, in the case of groundwood and sulphite pulp, better prices prevailed.

Newsprint Outlook Brighter

Developments in the closing months of 1933 promise well for the Canadian newsprint manufacturers during 1934. Under the provisions of the National Recovery Act, producers in the United States prepared a newsprint code. Its success depends upon co-operation of the Canadian manufacturers who supply over 50 per cent of the United States newsprint requirements. Obviously the American producers could not establish a minimum fair price for their paper and maintain it if foreign competitors undersold them. To the end of securing co-operative action, a meeting of producers in the two countries was called and a minimum price agreed upon. Maintenance of this schedule will provide the industry with a breathing spell in which to take stock of its affairs and, if possible, place them on a sounder footing.

Prospects for an increased volume of business in 1934 are fairly encouraging. Figures on production and consumption would indicate that a halt had been called to the decline around the middle of 1933. The demand situation is definitely more encouraging that it was at the beginning of 1933.

Furniture Shows Progress

Value of business done by furniture manufacturers in 1933 was about 5 per cent less than in the previous year although in six of the last eight months both volume and value of business done were well ahead of the corresponding period of 1932. In May, value of shipments was approximately the same as in 1932 while in October a strike at Stratford caused shipments to fall slightly below the 1932 figure. During the first four months of 1933, shipments declined 38 per cent while an increase of 14 per cent was shown in the balance of the year.

Prices continued, during 1933, at levels which made profitable operation impossible, according to the trade. Some improvement was in evidence toward the end of the year and raised hopes for a general increase in 1934.

Use More Paper Packages

Operations in 1933 were reduced in both the stiff box and folding box groups, the stiff box trade suffering most. Prices were also lower although raw materials advanced toward the end of the year. Value of production in 1933 will, therefore, be somewhat lower than in 1932.

Increasing use of paper packages has helped maintain production of this industry during the past three years, the decline in the value of production being chiefly attributable to lower prices. Thus value of production in 1932 is only 25 per cent below the high level of 1929 as compared with a drop of around 50 per cent in the totals for all manufacturing industries.

Advertising Increases

Definite improvement in almost all lines of printing became evident in the latter half of 1933, advertising revenue showed an upturn, job printing houses became more active and employment in the industry showed a steady upward tendency. The first half of the year was so slack, however, that it is estimated that total revenue for the year will be slightly below that of 1932.

Heavier advertising appropriations already announced for 1934 make the outlook for that year much better. The effects of these increased appropriations was felt in the last two months of 1933 by the lithographing and associated industries.

Iron and Steel

Heavy industries have been slow to start on the upturn that first became evident in the consumer goods industries in May. In most of the plants which use iron and steel as their principal raw materials, production during the first half of the year was well below the corresponding period of 1932 and in many cases no actual improvement over 1932 figures was shown until September or October. The result of this start will be evident when production figures for

(Continued on page 10)

Key Factors Make Gains in Canada in 1933

Purchasing Power decreased 3.3 per cent from 1932, according to an estimate made by The Financial Post Business Year Book.

Volume of Industrial Production was 1 per cent higher than in 1932. Physical volume of all business was 1.1 per cent below that of 1932.

Wholesale Prices increased 6 per cent during the year.

Retail Prices, including food, fuel, rent, clothing and sundries, averaged 2.5 per cent below 1932.

Employment in all industries gained 8 per cent during the year.

Agriculture—Value of field crops was 4 per cent below 1932. Gross value of agricultural production was practically the same as in 1932.

Mining—Total value of production increased 5 per cent. Volume of gold mined was slightly higher; silver down; nickel output nearly tripled; copper up 40 per cent.

Fishing—Value of output increased 10 per cent, according to the estimate of The Business Year Book.

Foreign Trade declined 5 per cent in value. Exports were up 3.7 per cent, imports down 15 per cent.

Imports of Key Products showed the following trends in volume: rubber, 15 per cent down; sugar, 10 per cent down; coal, 5 per cent down; petroleum, 8 per cent down.

Exports of Key Products showed the following trends in volume: newsprint, equal to 1932; automobiles, up 70 per cent; wheat, down 10 per cent; wheat flour, up 14 per cent.

Manufacturing—Production of pig iron, up 40 per cent; steel output, up 10 per cent; newsprint, up 3 per cent; automobiles, up 15 per cent; boots and shoes, up 9 per cent; flour production, up 6 per cent; electric output, up 9 per cent; coke, up 6 per cent; coal, up 5 per cent.

Carloadings down 4 per cent.

Railway Gross Earnings down 8 per cent.

Construction Contracts down 26 per cent.

Automobile Sales (new cars and trucks) were 1 per cent higher than in 1932.

Automobile Financing of new and used cars was down 20 per cent.

Failures were down 11.5 per cent. Liabilities down 12 per cent.

Bank Debits were up 16 per cent.

Insurance Sales were down 11 per cent.

1933 VALUE OF MINERALS JUMPS 5 P.C.

Gold and Nickel Lead Almost General Improvement

Led by gold and nickel, the total value of mining production in 1933 rose 5 per cent above the 1932 total. The Financial Post Business Year Book estimates primary production at $192,000,000 as compared with $182,681,000 in 1932. Neither of these figures takes account of the premium on gold.

Gold mining was the outstanding feature in Canadian mineral production in 1933 with unprecedented activity in exploration, construction of new mills and general stepping up of tonnage of ore treated. A slight decline in the total production is anticipated owing to the prevailing tendency of the leading gold producers to treat lower grade ore. An unofficial estimate of production in 1933 shows approximately 3,100,000 ounces, recovreed, valued normally at $64,000,000.

The exchange compensation paid to the gold producers by the Royal Mint which acted as marketing agents brought the average price received to approximately $28.50 per ounce as compared with the normal value of $20.67 which in terms of Canadian funds would give a value to the Canadian gold production of approximately $88,000,000.

Nickel Output Jumps

In the last six months of 1933 production received a great stimulus due to the increased demand for the metal, reflecting greater industrial demand owing to the low inventories of the fabricators and increased demand from European powers allegedly for armament purposes. Production in 1933 is estimated at 85,000,000 pounds valued at $19,000,000.

Due principally to the increased production of nickel ore, the associated copper recovered caused a substantial increase in the copper production of Canada, particularly in the last six months of 1933. The estimated value of production in 1933 is $23,000,000.

Market conditions in 1933 were the worst that have prevailed in the history of copper mining. Low prices, heavy stocks, expiration of agreements, and foreign tariffs all militated against profitable production.

Coal mining in Canada in 1933 received a definite impetus in the last half of the year with the general improvement in business conditions. Thus although at the end of June, 1933, production was lower by 12 per cent in volume and 17.5 per cent in value the official estimate for the complete year shows production slightly above 1932 level with total value down only 10 per cent at $33,300,000. Imports in 1933 were less than 1 per cent below the 1932 total of 11,700,000 tons.

Silver Declines

Silver production in Canada in 1933 will show a further decline notwithstanding the slight improvement in the base metal situation and the greater gold mining activity.

Buying Power Declines Only 3.3 p. c. from 1932 Says Business Year Book

Estimates Show General Improvement in Eastern Provinces — Prairies Suffer from Short Crops — Electric Output Makes Best Gain

Per capita purchasing power in Canada dropped 3.3 per cent in 1933 from the previous year, according to the estimate made by The Financial Post Business Year Book. As the decline in 1931 and 1932 from their respective previous years was more than 20 per cent in each case, the result of operations in 1933 can be regarded as fairly satisfactory. The per capita figure for 1933 was estimated to be $326 as compared with $337 in 1932. These figures compare with a peak of nearly $700 in 1929.

By provinces, British Columbia takes first place by a wide margin, partly accounted for by the fact that a larger proportion of the population are engaged in trade and transportation than in any other Canadian province and therefore average wages are higher. Ontario is in second place, followed by Alberta and Quebec in that order.

Compared with 1932, Prince Edward Island made the best showing, the result of better potato and other field crop prices and yields. Ontario and Nova Scotia are the only other provinces to gain over 1932, manufacturing activity and greatly improved livestock prices being an important factor in the former province and some improvement in activity in steel plants and better field crops being the reason for the gain in the latter. Poor wheat yields forced the purchasing power of the Prairie Provinces to lower levels, the improvement in price being insufficient to offset the short crops.

The estimated figure for 1933 of $3,375,000,000, on which purchasing power is based, is the cumulative total of the selling value of products at works, farms, etc. Owing to lack of data it is impossible to make an accurate estimate of average income of gainfully employed persons in the Dominion. Purchasing power on the basis of annual productivity is considered to be the most accurate gauge.

PROVINCIAL PURCHASING POWER*
(Estimated by The Business Year Book)

	Net Production (All Groups)		Per Capita Purchasing Power		Change 1932 to 1933
	1932	1933	1932	1933	
	$	$	$	$	%
Prince Edward Is.	19,820,000	22,006,000	225	250	+11.0
Nova Scotia	132,600,000	133,500,000	259	260	+ 0.7
New Brunswick	114,430,000	103,480,000	280	253	— 9.6
Quebec	878,000,000	824,540,000	305	286	— 6.3
Ontario	1,321,100,000	1,351,600,000	385	394	+ 2.3
Manitoba	182,000,000	173,010,000	260	247	— 4.9
Saskatchewan	213,000,000	183,404,000	231	204	—11.4
Alberta	280,400,000	237,600,000	383	318	—17.0
B. C.	350,000,000	346,860,000	204	500	— 0.9
	3,491,400,000	3,375,000,000	337	326	— 3.3

* Gross provincial figures are estimated from net industrial production figures by adding a proportionate amount for persons not engaged in industrial pursuits. The percentages were obtained in the 1931 census of wage-earners.

	Estimated by The Business Year Book			% Change
	1931	1932	1933	1932-33
Gross Value of Industrial Production:	$	$	$	%
Agriculture	880,053,834	794,205,900	792,841,000	— 1.7
Forestry	288,674,002	214,722,300	162,250,000	—24.6
Fisheries	39,654,811	33,665,822	37,100,000	+10.2
Trapping	8,744,962	7,118,021	7,500,000	+ 5.3
Mining	276,305,319	220,401,862	231,600,000	+ 5.1
Electric power	163,321,565	129,071,170	135,300,000	+ 4.5
Total primary production	1,656,814,543	1,399,185,075	1,366,491,000	— 2.3
Construction *	315,482,000	132,872,400	98,000,000	—26.2
Custom and repair †	97,000,000	76,771,940	76,500,000	..
Manufactures, all industries	2,698,461,862	2,138,556,000	2,118,100,000	— 1.0
Total secondary production ..	3,110,943,862	2,348,200,340	2,292,600,000	..
Less: Duplications ‡	610,025,080	483,450,600	480,000,000	..
Deduct for goods cons. in prod.	1,657,529,423	1,308,734,515	1,288,000,000	..
Net value of industrial production	2,500,203,902	1,955,200,300	1,891,091,000	— 3.3
Net value of production (all groups)	4,464,600,000	3,491,400,000	3,375,000,000	— 3.3

* Includes shipbuilding in 1928 and 1929 only.

* Includes amounts paid to patrons of dairy factories.

† Estimated, from calculation made in 1925, according to percentage change in data for manufacturing.

‡ Allowance for figures contained in both primary and secondary production.

**Includes estimated production of all gainfully employed persons in addition to the value of production in industries listed above.

Note:—Figures quoted here for all industries are gross, and are therefore not necessarily comparable with figures of net production, such as for agriculture, fishing, mining and construction industries, quoted elsewhere in this volume. In only one case, namely trapping, do gross and net figures coincide. The difference in each case represents goods consumed in production.

Method of Computation

In the results of the compilations shown, the gross value of industrial production (selling value of products at works, farms, mines, etc.) is given for nine separate groups. These figures, taken separately, give an excellent indication of the relative activity in the various groups as compared with previous years. Totals for primary and secondary production are also useful. It will be noticed that no figure is shown for gross industrial production as this figure would include a large amount of duplication.

BANK PROFITS DECLINE BUT DEBITS HIGHER

Refunding Increases Bond Sales — Insurance Sales Down

Bank profit and loss statements issued to date indicate that a decline of 11.5 per cent has taken place in net profit for 1933 as compared with the previous year. Transaction increased materially over 1932, however, bank debits, for instance, being 15 per cent higher than in that year.

Ordinary life insurance sales in Canada are estimated to have been 11 per cent lower than in 1932 during the past year. Foreign business of Canadian companies suffered more severely and a drop of about 20 per cent is expected, while group business in Canada in 1933 was only about one-half of the total recorded in the previous year.

Investments Better

Improvement in investment portfolios and the decline in the disbursements made in the form of policy loans are the brightest features of the year. The higher average level of investment securities has greatly improved the liquid position of the companies. The amount on loan against policy reserves has not decreased, although there has been some increase in repayments.

Dividend records for 1933, as compiled by The Financial Post, indicate a total payment of $134,879,000, a decline of approximately 13 per cent, compared with 1932. This is the third year in succession in which dividend payments have shown a decline, there having been a drop of 27 per cent in 1932, and a decline of 25 per cent in 1931 from the 1930 high mark of $285,000,000.

Bond Sales Higher

It is interesting to note that in November and December, 1933, dividend payments showed a gain over the corresponding months in the previous year, for the first time since March, 1931.

Owing to heavier Government borrowing and refunding operations the total of bond sales in 1933 was approximately 30 per cent higher than in the previous year. The total of the year, however, is comparatively small, being only about one-third of the 1931 figure. About 90 per cent of 1933 sales were government issues, 9 per cent municipal and 1 per cent corporation. In 1932, government issues made up 72 per cent of the total, municipal 22 per cent, corporation 2.5 per cent and railroads 3.5 per cent.

Transportation, Communications Hopeful for 1934

While the second half of the year showed improvement over the same period of 1932, Canada's railroads finished the year about seven per cent behind 1932 as far as gross earnings were concerned. Freight carried also declined by approximately the same percentage although again the latter months of the year showed good increases. The small wheat crop in the West was the one factor which prevented the gains from being extremely large. Handlings of lumber, paper, coal, ore and livestock were well ahead of 1932 figures.

Telephone installations in Canada at the end of 1933 were slightly fewer than in 1932. In the last four months of the year, however, the number of installations exceeded the number of take-outs; there has also been an improvement in toll traffic. While there is not sufficient evidence to base an opinion on whether or not the telephone business has turned the corner, returns at the end of 1933 lead to the belief that the 'phone companies have passed through the worst of the depression and an increase in installations in 1934 is a reasonable expectation.

Some improvement was noted in telegraph business during the closing months of 1933. Taken as a whole, the year was a fair one, though revenues did not show any material change from those reported in 1932. The quickening of business, especially in brokerage and other lines of activity which normally are important users of telegraph facilities, was more noticeable in the last quarter.

Competition from trucks and the post-office cut into the express companies' business during 1933. In certain lines of express goods, more particularly perishable products, there was some improvement. Taken as a whole the volume of express business in 1933 was about the same as that in the preceding year.

Short Wheat Crop Offsets Advantages Of Better Prices

Further Price Increases Needed in Order to Stimulate Business — Important Improvement in Livestock Features 1933

EXCELLENT APPLE CROPS HELP B. C. AND N. S.

Export Market Situation Improved by Higher Exchange Value of Sterling and Effects of Ottawa Conference — Look to Closer Grading and Supervision to Increase Trade in Farm Products

Although operations in agriculture in 1933 resulted in only a very slight decline in total revenue as compared with 1932, the year cannot be regarded other than as an unsatisfactory one. This situation is primarily due to two reasons, first, partial failure of what promised to be a bumper wheat crop and, second, the failure of good price increases of the summer and early autumn to hold through the crop marketing season.

Total value of agricultural production in 1933, as estimated by The Financial Post Business Year Book, amounted to $792,841,000 as compared with $794,206,000 in 1932, a very slight decline. The largest single item in this calculation for 1933 is for field crops, the preliminary estimate of the Dominion Bureau of Statistics of $427,791,000 being the figure used. Dairy produce, farm animals, poultry and eggs and fruits and vegetables are the other important items in order of value in 1933.

Nova Scotia's Showing Excellent

By provinces, only the three great wheat growing areas recorded decreases in value. By virtue of the better apple crop and prices, Nova Scotia and British Columbia made the best comparative showing while Prince Edward Island's production increased nearly 20 per cent owing to excellent field crops. Lesser increases were recorded in Ontario, Quebec and New Brunswick, almost entirely due to a general improvement in prices of almost all kinds of agricultural produce.

Greatest improvement during 1933 took place in the livestock branch of the industry. Rapid increases in prices of animals for food took place early in the year and while some of these gains were not entirely held throughout the year, the average prices were generally better than in 1932. For example, hogs were almost doubled in value by the increase in prices, and cattle and sheep prices rose in the early summer but closed the year at about the same level as in 1932.

Better Prices Help

Increased prices for almost all kinds of field crops in 1933 almost entirely offset the great decline in yields with the result that the total for Canada for 1933 is only four per cent below the 1932 figure.

Saskatchewan and Alberta were the only provinces in which the value of field crops declined to any extent, the respective decreases being 37 and 35 per cent. Prince Edward Island, Ontario, British Columbia and Nova Scotia recorded the best gains over 1932 while the totals for the other provinces were practically the same as in 1932.

Among individual items, potatoes showed the best gain over 1932, both volume and price being better than in that year. Yields of grain crop were substantially lower but this was partially offset by higher prices.

Cheese Output Down

With the exception of cheese, production of which declined somewhat during the year, activity in the dairying industry in 1933 was at approximately the same level as in the previous year. Butter production was slightly increased and the average price over the year was slightly higher. Consumption of milk was maintained at the 1932 level and the price remained about the same. Total production of concentrated milks was almost exactly the same as in 1932 although there were changes in the individual items, the most important being the reduction in production of condensed milk and the increase in evaporated milk.

Cheese production, as indicated by the cheese tendered for grading, was approximately 10 per cent less than in 1932. Slightly higher prices offset this drop in production to some extent. There was a considerable falling off in cheese exports in contrast with the results in other types of dairy produce.

Poultry Numbers Reduced

It is estimated that the total value of poultry and eggs sold during the year was slightly below the 1932 total. Prices for poultry were lower than in 1932 and the output was also smaller. Egg prices, on the other hand, did not decline to the amazingly low levels of the summer of 1932 but the average over the year was little changed from 1932.

Both in British Columbia and Nova Scotia, the apple crop, Canada's most important commercial fruit, was excellent, and marketings in the last two months of the year were the best for some considerable time. In Ontario, the hot dry summer affected the apple crop in common with other fruits but this was somewhat offset by better prices and markets.

Fruit Crops Improved

Taking all fruits and vegetables together, a good increase in value of production was recorded in 1933. For this increase, the improvement in the export market, closely hinged with the rise in the exchange value of sterling, is largely responsible.

Hot, dry weather greatly affected the tobacco crop in Ontario and production was much smaller than in 1932. Prices opened about the same levels as in 1932 but unlike that year they did not decline with the same rapidity or to the same extent.

In the following compilation by The Financial Post Business Year Book, estimates for production of all branches of agriculture and for all agriculture by provinces, are shown:

Gross Agricultural Revenue

	1932	1933*
	$	$
Field crops	444,894,900	†427,791,000
Farm animals ...	69,033,000	88,000,000
Wool	1,093,000	1,500,000
Dairy products ..	131,623,000	128,000,000
Fruits & vegetables	30,245,000	36,500,000
Poultry & eggs ..	48,824,000	43,000,000
Fur farming	2,732,000	3,000,000
Maple products ..	2,747,000	2,400,000
Tobacco	6,088,000	5,750,000
Flax fibre	170,000	150,000
Clover & grass seed	962,000	1,000,000
Honey	1,651,000	1,750,000
	740,205,900	738,841,000
Paid to patrons of dairy factories..	54,000,000	54,000,000
	794,205,900	792,841,000

*Estimated by The Financial Post Business Year Book.

†D. B. S. estimate.

Revenue by Provinces

	1932	1933*
	$	$
Prince Ed. Island	10,078,000	11,902,000
Nova Scotia	21,238,000	25,452,000
New Brunswick ..	21,711,000	21,732,000
Quebec	129,656,000	135,500,000
Ontario	226,446,000	244,146,000
Manitoba	51,445,000	52,461,000
Saskatchewan ...	124,017,900	105,863,000
Alberta	126,583,000	109,285,000
British Columbia.	29,031,000	32,500,000
	740,205,900	738,841,000

*Estimated by The Financial Post Business Year Book.

Smallest Total For Construction Since Great War

Falling to approximately $98,000,000 in 1933, construction contracts awarded in Canada, as compiled by MacLean Building Review, dropped to the low level of the war years, 1915-1918, inclusive. The 1933 total is 26 per cent below the figure for 1932 and is only slightly more than one-sixth of the high record of $577 millions achieved in 1929.

On the basis of figures for value of work actually undertaken, it is generally estimated that activity in the construction industry during 1933 was approximately 12 per cent of capacity. However, the large decline in construction costs since 1929 would incline to make this figure slightly higher, so that about 15 per cent can be taken to be approximately correct.

Form National Group

During 1933, the industry began an effort to rehabilitate itself, formation of the National Construction Council being the first step in its plans. The council at once began to collect data on building and construction work in Canada which had been proposed but held up owing to lack of funds, with a view to urging on the Dominion Government some scheme for financing at least a part of this contemplated work.

The survey resulted in the finding that approximately $400,000,000 of construction work had been seriously considered but deferred since January 1, 1930. Of this total, approximately one-half is engineering work and the other half building.

Volume of Output in Many Industries Gained in 1933

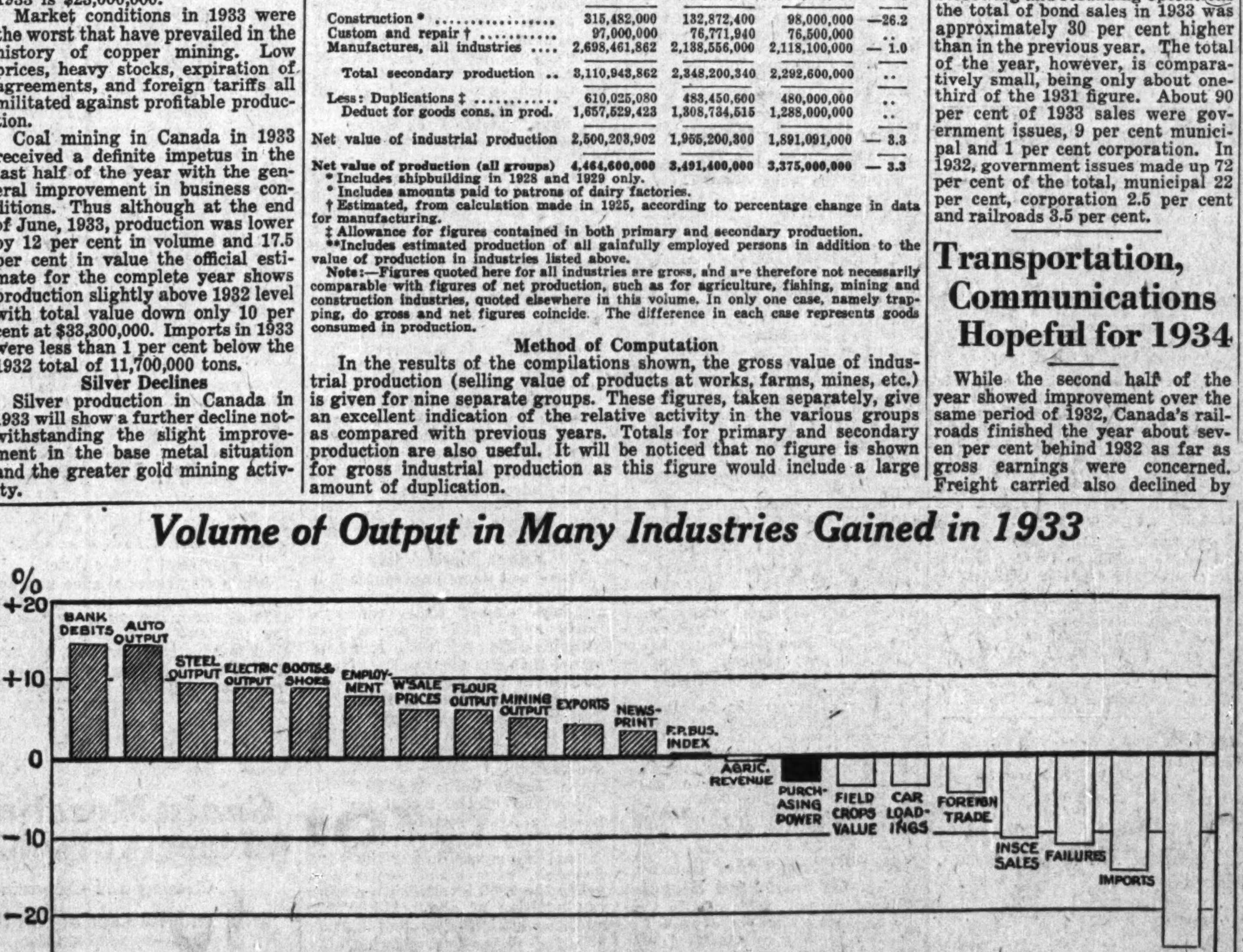


Chart by The Financial Post

Although the purchasing power estimate made by The Financial Post Business Year Book indicates a decrease of 3.3 per cent in total productivity in Canada during 1933, many industries recorded increased production. Automobiles and electric output made the outstanding gains, the gain in the former being partly accounted for by the early start made by most manufacturers on 1934 models. The loss in the volume of construction contracts awarded during the year is the most severe decline.

GRAIN PLANS UNDER WAY IN ARGENTINE

Ambitious Elevator System and Marketing Act Now Planned

FOLLOW CANADA

Grain Facilities Similar to Prairie West May Be Developed if Present Plans Mature

From Our Own Correspondent

WINNIPEG—Simultaneously with the announcement that according to a first official estimate, Argentina will harvest an almost record crop in 1933-34 comes news that that country is now embarking on an ambitious and far reaching scheme to create an extensive terminal and country elevator system.

According to best available advices, if present plans mature, something like 600 country elevators and five terminal elevators at the seaboard will be constructed. The government will put up half the money, the other half will be put up by private capital.

In return for private investment the company backing the project will have control of the elevator properties and of their operation. It is thought probable that the privilege of handling the new proposition will revert to one of the three large groups which have been largely interested in grain marketing from Argentina in the past. An important feature of the Argentina plan (according to the present scheme) will be that there will be only one elevator company.

If the project as now contemplated materializes, it will mean a heavy expenditure for materials and machinery the bulk of which will in all probability be placed in England. Canada, however, hopes to be able to supply a considerable amount of timber.

New Marketing Facilities

Another important angle of the proposed Argentina plan is a revision of the grain marketing facilities of the country. Apparently, a new grain act is in the process of preparation, somewhat similar to Canadian act.

Added to this an inspection certificate department is planned. This it is believed will do away with the Argentina basis of "fair, average quality" based on weight only. Opinion in the grain trade here is that if this plan materializes with an inspection certificate on the Canadian basis and different grades that it will be an improvement of considerable benefit to Argentine growers and shippers and also a competitive improvement of benefit to Canada.

It will be recalled that only a few weeks ago, Argentina set up a new exchange commission under which the government maintained a pegged price which is usually the Liverpool price, less charges. This is considered a preliminary step in a far-reaching change in Argentina marketing methods and it is believed that it forecasts the adoption of Canadian methods of elevator operation and price practices in that country.

Wheat

From Our Grain Correspondent

Small International Trade

THE movement of wheat into international trade channels continues at a low level. World shipments have been fluctuating at a level of about 10,000,000 bushels a week and declined to about 8,000,000 in early December.

A considerable decline in shipments during December is a usual feature of the wheat trade. This is in anticipation of supplies of new wheat available from the Southern Hemisphere the latter part of December and in January, the bureau explains.

* * *

Crop Figures Now Complete

THE 1933-34 wheat crop in 46 countries which produce about 98 per cent of the estimated world wheat crop is now placed at 3,516,000,000 bushels compared with 3,698,000,000 bushels in the same countries last year. Prices in the principal world wheat markets have remained fairly steady during the past month, except when measured in terms of United States currency which has fluctuated in its value relative to foreign currencies.

Interest in wheat on the continent of Europe centres around the efforts being made by various countries to maintain prices in the face of large domestic crops. Germany and France have been added to the list of countries which have adopted price fixing measures, and in Czechoslovakia the Minister of Finance has been authorized to buy domestic wheat in order to stabilize prices at an adequate level.

* * *

Wheat Committee Still Busy

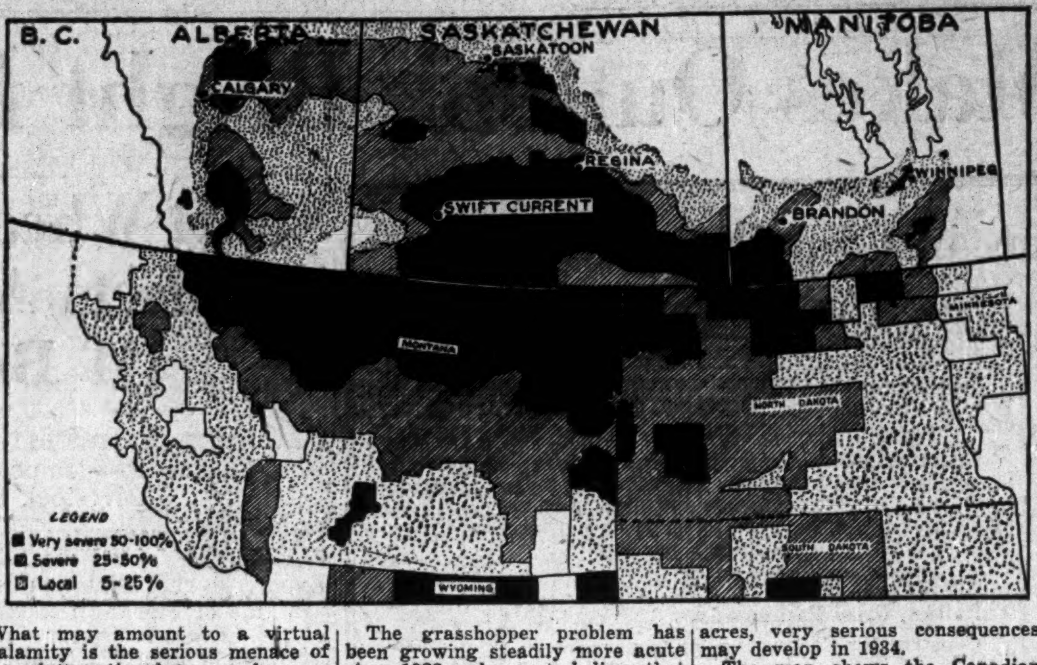
LATEST public announcement of the international wheat market committee in London is that the framework for a minimum world-wide scale of prices has been completed after a 4-day "exhaustive survey of present conditions and past trends." Justification for such a step is deemed to be the "virtual anarchy of the wheat pits today."

The committee did not recommend adoption of their finding but will submit a full report of their studies, with pros and cons, on the proposal originally submitted French and German delegates on Nov. 28 whereby exporters would set a minimum price on outgoing wheat and wheat flour. The full commission will study the marketing committee's report on January 22.

The committee was instructed, when it was formed, to present both sides of the question under investigation — consumption, marketing, and prices. Several delegates were said to be opposed to a minimum price on the grounds that other remedial measures of a more permanent nature must be effected.

Grain and Milling in Canada

Black Spots Menace to Western Wheat Growers



What may amount to a virtual calamity is the serious menace of an international grasshopper plague which threatens the prairie west on both sides of the 49th parallel.

The grasshopper problem has been growing steadily more acute since 1928 and experts believe that unless a miracle occurs or unless drastic international action is taken over an area of about 13,000,000 acres, very serious consequences may develop in 1934.

The map shows the Canadian and U. S. areas most largely affected.

BUREAU REVIEWS CURRENT TRENDS IN WHEAT MARTS

Higher European Crop is Feature of December Survey

World wheat production in 1933 is somewhat larger than anticipated earlier in the season owing to upward revisions of European estimates and an unexpectedly large estimate of 1933 Argentine production. With complete returns for practically all European countries (excluding Russia) it now appears that these countries harvested about 1,665 million bushels of wheat in 1933 as compared with about 1,490 million in 1932. A feature of the past month was the official estimate of the 1933 Italian wheat crop indicating total production of 297 million bushels.

The 1933 Australian wheat crop is now officially estimated at 160 million bushels as compared with 210 million last year. Wet weather has been experienced over a greater part of the wheat producing area and harvesting has been delayed. It is thought that recent excessive moisture will lower the quality of the new crop.

Big Argentine Crop

The first official estimate of 1933 Argentine wheat production indicated a crop of 256 million bushels as compared with 236 million last year. The official estimate was larger than expected in view of the unfavorable conditions experienced early in the growing season. If the present estimate is realized, the 1933 Argentine wheat crop is the largest since 1928.

World trade in wheat continues on a small scale. Record European wheat production this year involves a small world movement during 1933-34. From August 1 to December 18 world shipments of wheat and flour amounted to 200 million bushels as compared with 224 million during the corresponding period last year.

Larger Shipments Probable

The London Wheat Conference estimated world import requirements for 1933-34 at 560 million bushels. To date world shipments have amounted to 200 million leaving a balance of 360 million to be shipped during the balance of the crop year to meet estimated import requirements. Slightly larger shipments during the balance of the crop year will be required to fulfill the estimated import requirements.

During the past month, there has been a distinct lack of activity in most phases of the Canadian wheat industry. Primary receipts have been low and declining. Inspections show that larger proportions of the crop are being "Tough." The visible supply has been declining slowly, since domestic use and exports are more than sufficient to offset the receipts. The lake movement closed quietly. Shipments from St. Lawrence ports during the past month were handicapped by ice and low water. This situation reacted to the benefit of Quebec, which is the only port having shipments in excess of last year's. Shipments from West Saint John began in the past week and should be encouraged by the lower rail rates set recently. Vancouver wheat clearances to date are less than half those of last year and the forward bookings are not promising.

Generally speaking, and considering the reduced world movement of wheat, Canadian participation appears to be well up to the quotas set by the London Agreement.

B. C. Mining is Active

Despite a decline in the first six months, the mining industry in British Columbia at the close of 1933 is expected to show a total increase in value of over two million dollars. Custom ore shipments to the Trail smelter show a 50 per cent increase to Oct. 31 over 1932. Coal production in the province in the same period increased 7 per cent over last year.

Great Grasshopper Plague Feared for Prairie West

One of the worst grasshopper outbreaks in the history of American agriculture is forecast for 1934 in a survey made recently by the United States Department of Agriculture.

A glance at the map of the wheat growing areas of the American continent shown herewith, indicates clearly the severity of the problem. It is based on the results of this survey.

Started in 1928

Briefly, the situation is that as early as 1928, grasshoppers appeared in sufficient numbers to cause apprehension and alarm. They have steadily increased in number until the agriculture of the region affected is now facing a situation which many believe may amount to a calamity unless almost a miracle occurs.

Not only have the insects become more numerous but during 1933 a species called the "migratory" grasshopper has appeared. This insect is a close relative to the old Rocky Mountain locust of the species which ruined crops over wide areas from 1873 to 1876. This grasshopper is a more destructive type than the species which predominated in the early years of the present outbreak.

The survey which has recently been completed is based on accurate check-up of the grasshopper egg infestation during the past fall. All those who sent in reports were emphatic and positive in declaring that in the entire area, grasshopper population has steadily increased since 1928.

One of the important results of a conference on the subject held at Fargo, N.D., last November at which representatives from seven states and three Canadian provinces were present, indicates that the problem has become not only an interprovincial or interstate one, but international in scope, particularly with the entrance of the migratory grasshopper.

The conference strongly recommended that an extensive control programme be inaugurated at once and that it was absolutely necessary for a comprehensive campaign to be immediately developed in order to save a large part of the 1934 crop. It is estimated that over 13,000,000 acres will need application of poison bait at a cost of $2,500,000 for this item alone.

New Parley On Wheat Plans Says Brownlee

A federal-provincial conference will probably be called early in the year 1934 to discuss wheat curtailment plans, according to Premier J. E. Brownlee, of Alberta. The statement was made in reply to strong demands from Alberta farmers for information on wheat curtailment plans.

According to the Edmonton Journal, which has been conducting a survey among local farmers, much mystification exists as to what practical effect the world wheat agreement signed last August, will have on their 1934 operations. Beyond indicating that a conference was probable early in 1934 Mr. Brownlee indicated that there was nothing to add beyond what had been announced following the inter-provincial conference in Calgary, Nov. 29. At that time Hon. M. A. Macpherson, attorney-general of Saskatchewan, intimated that discussion would continue with Ottawa via correspondence.

Apparently arrangement of the conference has been left in the hands of Premier Anderson, of Saskatchewan, according to Mr. Brownlee.

Grain Briefs

Canadian Wheat in Store on December 15 was reported as 243,003,692 bushels compared with 243,433,536 the week before and 236,876,992 on the corresponding date of 1932. Canadian wheat in store in the United States amounted to 15,357,446 bushels compared with 14,903,857 a year ago. United States wheat in Canada amounted to 2,248,845 bushels compared with 6,982,856 last year.

Wheat marketings in the Prairie Provinces for the week ended December 8 amounted to 3,250,295 bushels compared with 3,955,611 in the previous week and 6,633,350 a year ago.

Export Clearances of wheat during the week ending Dec. 15 amounted to 1,382,697 bushels compared with 3,326,788 in the previous week and 3,051,163 a year ago.

Chief Markets—In November there were 12 countries to which domestic exports exceeded half a million dollars in value. These were: United Kingdom $28,875,000, United States $15,063,000, Netherlands $2,080,000, Japan $1,853,000, Belgium $1,467,000, Germany $1,083,000, France $995,000, Australia $968,000, Newfoundland $898,000, British South Africa $641,000, Italy $633,000, China $619,000.

LAKE SHIPMENTS OF WHEAT LOWER

Totalled 80,439,428 Bus. from August 1 to December 4

Wheat moved from Fort William and Port Arthur to lower lake and eastern Canadian and United States ports from Aug. 1 to the close of navigation Dec. 4, amounted to 80,439,428 bus., compared to 106,233,830 bus. during the same period a year ago, according to a recent report issued by E. A. Ursell, statistician to the Board of Grain Commissioners for Canada. Of this year's clearances since Aug. 1, 55,584,881 bus. were taken in at Canadian ports, while the remaining 24,854,768 bus. were received at United States ports. Vessels used to move this wheat numbered 496, of which 423 were Canadian boats and the balance the property of United States firms.

Season's Movement

During the season of navigation 1933, which commenced April 27 and closed Dec. 4, 154,962,732 bus. of wheat were moved down the Great Lakes and of this total 170,777 bus. were shipped direct from the head of the lakes to Europe. In 1932 movement east of the Great Lakes during the season of navigation amounted to 166,002,304 bus. Apart from the wheat cleared direct to Europe, 114,415,463 bus. of this season's movement went to Canadian ports, while the balance was taken in at U.S. ports.

Vessels used to carry the wheat shipped during the navigation season totalled 1,030, of which 922 boats were Canadian owned and 105 United States bottoms, while the remaining three were European vessels.

Flour Exports Greater Wheat Sales Decrease

During the four months ending November 74,768,789 bushels of wheat were exported from Canada according to customs figures. This compares with 112,658,460 for the same period in 1932. The chief countries of destination in the British Empire were as follows: United Kingdom 46,834,190, Irish Free State 569,244, New Zealand 74,787, Malta 56,000, other British countries 8,639. Total to British countries 47,542,860.

The total amount exported to foreign countries was 27,225,569 bushels destined to the following in order of quantity: Netherlands 8,588,443, Belgium 5,456,104, France 3,601,160, Germany 3,464,497, Italy 1,540,351, Japan 1,484,981, Norway 977,163, Denmark 707,483, Sweden 454,999, other foreign countries 950,388.

Wheatflour exports during the four months ending November were 2,094,814 barrels, an increase of 273,661 barrels over the same period in 1932, when 1,821,153 barrels were sent out of the country. Of the former amount Great Britain received 946,922 barrels, Irish Free State 167,001, Newfoundland 152,088, British West Indies 280,565, Hong Kong 77,149, Japan 62,950, Norway 62,076, while smaller amounts went to other British and foreign countries.

Oats exports for the four month period amounted to 1,320,141 bushels compared with 5,519,146. Great Britain is the chief country of import with 727,950 bushels. The other important countries in order of quantity were: Newfoundland 197,071, British West Indies 73,463, Bermuda 92,774, and Belgium 65,882.

Great Britain Chief Source Of Imported Bicycles

Manufacturers of bicycles in Canada reported a total output valued at $762,348 in 1932 as compared with $920,694 for the same concerns in 1931.

Products included 16,627 bicycles worth $408,658 at factory prices, tricycles and other children's vehicles and ice skates. The bicycles imported numbered 3,141 at $40,237 and parts at $24,733. Imported bicycles came mainly from Great Britain. Bicycles exported totalled 36 at $884.

Winnipeg Grain Prices

Week to December 24

Crop year from Aug. 1, 1933 High	Low		Open Dec. 20	High for week	Low for week	Close Dec. 24
		Wheat				
.90⅞	.54¼	December	.59¼	.61⅝	.58¼	.61⅝
.95	.59¼	May	.63	.64¾	.61⅛	.64½
.70½	.62¼	July	.63⅞	.65⅞	.62¼	.65⅞
		Oats				
.45⅝	.26	December	.29¾	.30½	.29¼	.30½
.48½	.29½	May	.32⅝	.33⅜	.31⅞	.33⅛
.36¼	.32⅛	July	.33⅛	.33⅞	.32½	.33⅞
		Barley				
.56⅞	.29¼	December	.34	.34⅞	.33¼	.34¼
.59⅝	.32½	May	.37	.38⅝	.36	.38⅝
.41	.36¼	July	.37⅝	.39⅞	.37	.39⅝
		Flax				
1.63½	1.11	December	1.43	1.43½	1.39¾	1.43½
1.71½	1.15	May	1.44¼	1.46⅞	1.41¼	1.45⅞
1.48⅝	1.39½	July	1.42½	1.45	1.40½	1.45
		Rye				
.64½	.37	December	.40¾	.43¼	.39¾	.43¼
.68½	.39⅛	May	.44⅜	.45½	.42⅛	.45⅜
.50⅛	.43⅜	July	.45½	.46⅞	.43⅝	.46½

TEXTILE TRADES LEAD GENERAL RECOVERY IN MANUFACTURING

(Continued from page 9)

available; it is expected that these will be somewhat lower than in 1932 despite evident activity in the closing months of 1933.

Taking the year as a whole, primary operations were on a considerably broader scale than in 1932. Pig iron production exceeded 1932 by about 40 per cent while steel ingot production gained about 10 per cent. In the fabricating industries, however, reports indicate production declined in almost every case from 1932, lack of construction activity being responsible for slackness in many lines.

Primary Operations Higher

Iron and steel production figures for 1933 indicate a 40 per cent increase in iron ore operations and a 10 per cent increase in steel production. These figures may not accurately reflect sales during the year as it is known that stocks of these commodities were low at the end of 1932. A large portion of this activity was created by subsidized relief work. Prices remained steady throughout the year.

Auto Plants Active

With prices at much the same levels which prevailed in 1932 and production approximately 8 per cent higher than in that year, an increase of this percentage can be expected in the total value of production. Increased exports was the factor which made 1933 better than 1932 as domestic sales were about 8 per cent lower.

Manufacturers began production of 1934 models in December, 1933, which is earlier than for some years past, and it may be that December figures, which are not available at the time of going to press, will further increase production over 1932.

Implement Sales Only Fair

Both value of implement sales and collections on notes in 1933 were only about the same as in 1932, taking the country as a whole. Interest rates to farmers were reduced in many instances which reduced the amount collectible.

The situation for 1934 rests almost entirely on the results of the 1934 crop and the prices obtained for grains, as farmers in general have no balances left for the purchase of implements.

No Demand for Machinery

Heavy machinery, such as used in manufacturing plants and in mining operations, forms the chief product of the machinery industry as segregated by the Dominion Bureau of Statistics. For plants producing heavy machinery, 1933 proved a poorer year than even 1932, the only demand being for gold mining machinery. Operations otherwise were largely confined to repairs and replacement to existing equipment.

Wire Goods Sales Small

There are three large buyers of wire goods, the agricultural community, the construction industry, and other industries for further use in manufacture. As the purchasing power of the former was not materially increased in 1933, construction declined to lower levels than in 1932 and industry in general only equalled 1932 production, at best 1933 records for this industry are expected to be below those of 1932.

Sheet Metal

In common with many other iron and steel industries, this industry suffered during 1933 from the continued lack of demand for corrugated metal for building. Tin can manufacturers experienced a year somewhat similar to 1932 although hand to mouth buying was in evidence. Total value of production was less than in 1932 by about 10 per cent, it is estimated.

Food Industries

Industries engaged in the manufacture of foodstuffs almost all found 1933 a year of improved business. Prices in the latter part of the year were better than in 1932 and increased employment added to the purchasing power of the consumer market. Improved position of sterling exchange materially helped those industries with an export market.

Packers Appreciate Price Rise

Good price increases during 1933 combined with a 20 per cent increase in exports resulted in an improved year for meat packers. In almost every type of meat, prices showed substantial increases with hogs nearly doubling in value. Over the year, it is estimated that production was about 20 per cent ahead of 1932 in value.

Soup, Tomato Pack Heavy

The amount of canning carried on in Canada during 1933 was in the aggregate, somewhat smaller than in the previous year but, owing to good price increases in vegetables, the value of production is estimated to have been about the same in that year. Small packs of vegetables of which there was a large carry-over in 1932 make the outlook for 1934 much better. While there will be no shortage, it is expected that stocks of most lines will be well cleared before the new pack is made in 1934.

Estimates of the amount of the principal packs in 1933 as compared with 1932, are as follows: peas, down 16 per cent; tomatoes, about equal; corn, much reduced; tomato juice, higher; soups, higher; berries, small; peaches, short about 50 per cent; pears, bigger than in 1932.

Millers More Active

There was some improvement in the flour milling industry in 1933 although export trade remained fairly small and prices showed little increase over 1932. It is estimated that the total value of production of the industry will be 5 per cent higher than in 1932. Production in 1932 was about 10 per cent less than in 1931, the last year for which complete statistics are available.

Sugar Value Higher

Addition of the 2-cent tax imposed in April resulted in higher value of production figures in 1933. Actual shipments during the year, however, were about 5 per cent below the 1932 levels. With a sales tax addition of about $14,000,000 and a reduction of around $2,000,000 for reduced production, the total value of production of the industry in 1933 can be estimated to be $53,000,000.

Beverages

With the exception of the wineries, plants engaged in the manufacture of beverages in Canada had a fairly satisfactory year in 1933. The beer and soft drinks business was stimulated by an exceedingly hot summer while the liquor business benefitted in the last month of the year by the repeal of prohibition legislation in the United States.

Possibility of loosening control legislation in Ontario to allow beer to be sold by the glass in hotels and restaurants and hopes of establishing a permanent market in the United States for distilled liquors make the outlook bright for 1934. Beer by the glass would, however, reduce sales of soft drinks.

Hot Summer Helps

The hot summer of 1933 increased production of aerated waters and actual production for the year is estimated to have been above that of 1932.

Probability of the sale of beer and wines in hotels and restaurants in Ontario in 1934 makes the outlook for that year brighter for eastern breweries. During 1933 Ontario breweries operated at only 16 per cent of capacity.

Liquor Sales Jump

Forced to pay $45 a ton for their grapes by the Ontario Liquor Control Board—very much above the regular market price — Ontario wineries reduced their production in 1933. Stocks on hand from the large production of 1930 and 1931 were therefore slightly reduced. Value of production in 1933 is estimated at only about 60 per cent of the 1932 level.

Repeal of prohibition in the United States resulted in large sales of Canadian liquor in the latter months of 1933 and also increased production to replace the sold stock. Actual production over the year, it is estimated, was about 15 per cent ahead of 1933 while sales were increased by about 30 per cent.

Textiles

Twenty out of every hundred people engaged in Canada in industry are directly employed in the textile industries. In the principal textile groups, cotton, wool, silk, knitting and needle trades there were approximately 80,000 persons employed in 1930. This employment has been increased up to 1933, to approximately 88,000.

N.R.A. Helps Cotton Plants

Two factors combined to increase the sale of Canadian cotton goods during 1933. First, the increase in the dollar value of sterling exchange made it more difficult for the British manufacturers to compete in the Dominion. Second, the action of the N.R.A. in the United States in increasing operating costs in that country and raising the price of cotton forced price increase on U. S. A. manufactured goods of between 75 and 100 per cent; in the meantime, Canadian mills were able to purchase cotton at only slightly increased prices over 1932 as the premium on United States funds was reduced to a negligible amount and therefore their prices were only about 10 per cent higher.

Some improvement in the total value of production of the cotton industries is therefore looked for when 1933 figures are published, an increase of about 15 per cent being generally anticipated. Prospects for 1934 are even brighter and the best year since 1929 is expected by the industry.

Big Year For Woollens

Canadian consumption of woollen products of domestic manufacturers increased materially in 1933 and though prices were somewhat low on the average an increase in value of production is expected for the year. Prices of raw wool, however, were higher than in 1932 so higher prices for manufactured goods are expected in 1934.

Non-Ferrous Metal Industries

Due to the increase in smelting and refining, particularly of nickel, this industrial group will be certain to show an increase in total value of production when complete 1933 figures are available. Electrical apparatus, the industry which shares leading place with smelting and refining, did approximately the same volume and value of business in 1933 as in the previous year. Brass and copper products, the only other sizeable industry in the group, will probably show greater production than in 1932, due in part to expansion of existing plants to manufacture products formerly imported.

Smelting Plants Busy

With nickel, copper and gold production all greater than in 1932, total value of output of this industry will be considerably higher than that recorded in 1932. Furthermore, plant expansions are now under way which will add to the amount of ore treated in 1934.

Operations in 1933 of the most important plants as compared with 1932 are shown in the following table:

Plant	1933 compared with 1932
Noranda	About the same.
Canadian Copper Refineries	Slight increase.
Int. Nickel's Refineries	Nickel output three times 1932.
Ontario Refining Co.	Double 1932 capacity.
Falconbridge	About 60 per cent increase.
Flin Flon	Increase of 10%.
Cons. Smelters	Slight increase.
Granby	Down about 60%.

Electrical Trades Quiet

While electric appliance and accessory sales were maintained in 1933 at about the same level as in the previous year, lack of large electrical installations kept production at a low level when compared with that of 1929 or 1930. Value of production, however, will be approximately equal to that in 1932 as there was little large construction work in that year.

Leather and Rubber Goods

After three of the worst months ever experienced by the trade, business in the balance of 1933 forged ahead of 1932 as higher prices became general. In the fall and winter months prices weakened again and business fell off but over the year it is expected that sales volume will be ahead of 1932. Although good prices prevailed during the middle months of the year, it is, expected that the value of production will be slightly less than in 1932—probably not more than 5 per cent.

Boot and shoe production gained in 1933 over 1932 but although there was some improvement in leather prices during the summer months, shoe prices averaged less than in 1932. Total value of production will, therefore, be approximately the same as in 1932.

Tire Replacement Heavy

For the four groups of the rubber industry—tires, footwear, drug sundries and hose and belting—the tire and footwear sections are by far the most important. In 1933, the tire business held up remarkably well; although new car sales were lower than in 1932, replacements were heavier. The early and severe winter created larger sales of footwear than usual while mining activity resulted in good sales of rubber boots and hose and belting.

Export business has been difficult owing to increased competition from Japan and Czechoslovakia in footwear and reduced demand for auto tires but the total for the year is slightly higher than for 1932. Both these totals are, however, well below the levels attained in 1928, 1929 and 1930.

When 1933 figures are finally complete it is expected that they will be slightly below the 1932 level, chiefly because the first half of the year was very slack in the automobile tire and rubber footwear divisions.

Non-Metallic Mineral Industries

Decline in the industries associated with construction combined with a slight drop in gasoline consumption in 1933 reduced the total value of production in the non-metallic minerals group. Only coke and gas plants reported a satisfactory year, increasing domestic consumption and activity in industrial plants in the second half of 1933 being responsible.

Gasoline Sales Down

Consumption of petroleum failed to reach levels during 1933 while prices during the greater part of the year were lower than ever before in the history of the industry. Value of production during the year, therefore, will be about 5 per cent below the 1932 level.

There was a 6 per cent increase in coke production in Canada in 1933. Prices remained at about the same levels as in 1932 so this increase will be reflected in the value of production. Increasing use of coke for domestic furnaces combined with the slightly greater activity in the primary iron and steel industry account for the increase.

Chemical Industries

Almost all industries in the chemicals group were affected during 1933 by lower prices. With the exception of medicinal and toilet preparations, the largest proportion of the product of this industrial group are sold to industrial users for use in manufacturing. For this reason the general trade of manufacturing, which was definitely upward beginning in the early summer months, is a fair indication of activity.

Some improvement in production took place in the second half of the year but price reduction caused by severe competition reduced the value of production as compared with 1932. Decreased activity of laundries, cleaners and other commercial users affected production.

Production of acids, alkalies and salts was maintained during 1933 at about the same level as in 1932. Value of production was approximately the same as in 1933.

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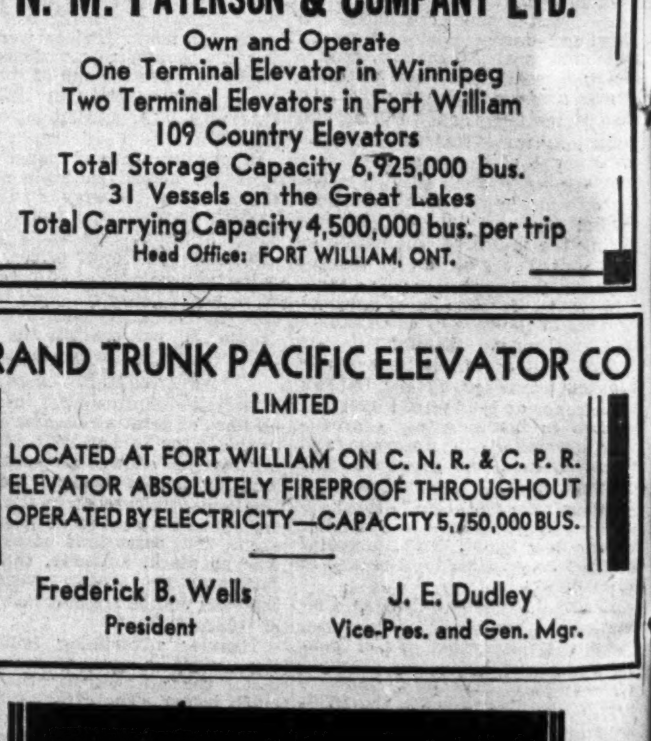

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Letters from subscribers to The Financial Post, who desire information bearing on their Canadian investments, will be answered by an early mail, and questions of general interest will be answered on this page. We cannot extend this service to non-subscribers nor do we answer enquiries relating to American stocks or foreign securities generally. A three-cent stamp or stamped envelope must be enclosed. Write mining and insurance enquiries on sheets separate from other investment enquiries. No answers can be given by telephone or telegram. We do not select lists of securities but will supply current facts about securities in a list you may supply. Nor do we attempt to make any forecasts of the probable trend of any security. The service, in other words, is one of fact and not of opinion.

Powers of Directors In Canada Set Forth

Book by W. S. Lighthall, of Montreal Bar, Informs Boards as to Responsibilities as Shown by Companies Acts as Interpreted by Judges in 1,000 Cases

Increasing importance today of directors understanding their real responsibilities to shareholders and to their companies gives strong interest to the authoritative and through compendium of information in Directors' Legal Manual (W. S. Lighthall, 1933. The Carswell Co. Ltd., $6) which sets forth carefully the rights, duties, powers and common law liabilities of directors. It is designed to help the director avoid many pitfalls where professional advice is not available for the moment. Its throughness and trustworthiness may be indicated by the fact that the index of company cases cited in the course of this book occupies 28 pages alone. Judgments in more than 1,000 cases are dealt with.

Even taking a rapid trip at random through its pages the following information of value has been gleaned for the benefit of readers and may indicate as well the character of information which might be gained by a director, making frequent reference to it. Further qualifications and information on subjects treated in this article must be sought in the book itself.

Majority Prevails

For instance, on page 78 the reader is told that it is a principle of company law that the majority vote prevails but that it is permissible to insert in the company's constitution any provisions protecting the rights of minorities which do not conflict with the statute. The will of the majority shareholders can only be put into effect by the board of directors and the latter must be governed in their actions by considerations of their fiduciary position to the whole body of shareholders present as well as future.

As directors are elected from the body of shareholders courts are reluctant to apply to directors in all their severity the strict rules governing trustees. The director has both his private interests as a shareholder and his restraining duties as a director. He is not supposed to enter into engagements in which he has a personal interest conflicting with or which may conflict with the interests of those he is bound to protect. So strictly is this principle adhered to that no question is allowed to be raised as to the fairness or unfairness of a contract so entered into, or whether the terms were good or better than could have been obtained from any other person. The privy council has decided, however, that if a company elects to ratify such a contract at a general meeting of shareholders and if it is fair, within the company's power and not oppressive to a dissenting minority, the contract will become perfectly valid even if the majority of shareholders voting for it was secured by his own vote. He can vote at the meeting in his capacity as shareholder even if he has legitimately bought up sufficient shares to give him a controlling vote.

"It is necessary, while dealing with this subject to point out that what may be doubtful ethics is not necessarily bad in law," comments the book.

Watered Stock

The question of watered stock is always coming up in political or financial discussions. One case discussed in this book brings the statement that shares may be fully paid and that if they are paid otherwise than in cash, in the absence of fraud the amount of consideration will not be enquired into.

Directors are always entitled to set up a reserve fund before declaring a dividend in the honest exercise of their powers in the absence of any statutory prohibition or restriction to be found in letters patent, articles or by-laws of the company. To what extent the reserve may be built up and how it is to be invested are matters for the directors solely to determine, being a matter of internal management. The courts will not interfere, provided that fraud is not shown.

Dividends Available

The question of what constitutes dividends available from profit is a vexed one but the English Court of Appeal for 29 years has held in a number of decisions that a clause in the company's articles providing that no dividend shall be paid except out of profits does not necessarily require that directors shall recoup lost capital before paying dividends out of profits of the company during a current year in the case of a company incorporated by registration. So far as directors' liability is concerned, where good faith is exercised, the ascertaining of what losses can be charged to capital and income respectively is a matter of good business sense and largely dependent upon the circumstances of each particular case. However, the Dominion Companies Act, referring to letters patent companies says: "No dividend shall be declared which impairs the capital of the company."

The purchase by a company of its own shares is not permitted as this amounts to a reduction of both the actual and nominal capital of the company and is wholly illegal and ultra vires except in so far as it is permitted by statute. Most of our Companies' Acts contain special provision for reduction of capital.

Cannot Delegate Powers

Directors are unable to delegate their own powers to one or more of their number, being themselves agents. Generally speaking the powers of directors are co-extensive with the powers of the company, except in so far as they are limited by the general act, the company's charter, articles of association, by-laws and regulations. Cases apparently contradicting this rule generally arise in connection with demands on the part of the board of directors to do what the company itself is incapable of doing. They cannot sell the business of the company as a whole, for instance. Amalgamation is not an ordinary purpose but the board has unlimited powers to turn property over to trustees for the benefit of creditors without the consent of shareholders. They can pay all just debts. They can guarantee the account of any company with a bank where the company is authorized to give such guarantee. It is in the power of directors to circulate statements and arguments in favor of proposed changes in the scope of the company's operations at the expense of the company.

Under section 1088, of the Dominion Companies Act the directors of a company which is a going concern can dispose of all the company's real estate as part of their duty and authority to manage the affairs of the company if the board honestly came to the conclusion that sale was in the interests of the company.

Directors Still in Bankruptcy

Directors' powers do not cease merely because a company is insolvent. Although all assets are turned over to the trustee in bankruptcy, meetings may still be held and directors may function as before in a restricted sense. Directors are entitled without authority of a general meeting to present a winding-up petition in the name of the company. If they act without authority, however, a general meeting can ratify their action.

Directors, says the book, must act in good faith and exercise reasonable care in the discharge of their duties. They must not allow their private interests to conflict with the duty they owe the company. The courts cannot lay down any precise rules but must deal with each particular case as it arises.

If directors will exercise reasonable diligence in attending to the company's affairs, in the absence of grounds for suspicion they are entitled to rely upon the judgment, information and advice of the company's officials and are not bound to examine entries in the company's books; they can rely on the examination of those whose special duty it is to attend to such details.

Where Liable

Directors are liable for acts in excess of their powers or ultra vires of the company and will only be relieved on proof that they, having acted with all diligence, were deceived by someone in authority upon whose acts they were entitled to rely. To render them liable for wrong to third persons they must have more or less actively participated in the wrong or have bound themselves personally. They are liable personally in an action for damages for deceit by false representations where the injured person can prove actual fraud—that the fraud was the immediate cause of the injury, that the false representation was made with the intent that it should be acted upon by him and that he suffered loss thereby. Directors are not liable for the fraudulent misrepresentations of agents appointed by them for the company. The action for damages for deceit would be against the company.

A director is not liable for the acts of his co-directors unless he has either expressly or passively permitted them. He is not liable for the acts of co-directors committed without his knowledge at board meetings at which he was not present or at which he was present for part of the meeting only, if he had no knowledge of the illegal transaction. Nor will he be liable where he concurs in an ultra vires resolution of the company, such resolution being given effect at a subsequent meeting at which he was not present. But circumstances may arise in which the absence of the director may have so contributed to the wrongful act of his co-directors as to render him liable therefor. If he is aware that his co-directors intend to commit a breach of trust he will not be absolved from liability by merely registering a protest. He must take some positive action or course of conduct, according to the requirements of the case.

Directors are jointly and severally liable for the loss or damage occasioned by their mismanagement, breach of trust or in respect of their secret profits where they are party thereto. A judgment obtained against one of them in default of appearance is not a bar to recovery against the others.

Dominion Act on Dividends

By Section 110 of the Dominion Companies Act if the directors of a company declare and pay any dividends when the company is insolvent or the payment of which renders the company insolvent or which impairs the capital thereof, they shall be jointly and severally liable as well to the company as to the individual shareholders and creditors thereof for all the debts of the company then existing and for all debts thereafter contracted during their continuance in office respectively. Any director present, however, can declare within 24 hours his protest and have it entered on the minutes of the board of directors and if he also publishes his protest in at least one newspaper, he may exonerate himself from such liability. In the case of a mining company directors do not create a liability against themselves unless such payments have reduced the value of the remaining assets of the company so that they will be insufficient to meet liabilities then existing exclusive of nominal paid-up capital.

There is an excellent index, by subjects, of 58 pages at the end of the book covering subjects so that a director, desirous of refreshing his mind as to the law in any point of his duties, can look it up without trouble. The company index of 20 pages is at the beginning of the book.

Enquiries

Manitoba Power

Do you think it would be worth while to purchase some of the first mortgage bonds of Manitoba Power. I notice they are selling well below par and thought they might be bought as a good speculation.

Until the present involved situation surrounding Winnipeg Electric and its subsidiaries, Manitoba Power and Northwestern Power, is cleared away, we think it advisable to exercise caution in making a commitment in the securities of Manitoba Power. A purchase at this time would be highly speculative as we do not know just how Manitoba Power will fare under the proposed reorganization. And until we can see how present negotiations are developing, it would be just as well to withhold any commitment.

Windsor Hotel

Can you tell me what Windsor Hotel is doing and what are the prospects of increased earnings for this year? I hold some of the company's preferred shares.

Operations of Windsor Hotel have been less favorable than last year, though in recent months there has been an improvement in bookings and earnings. No interim statements have been published by the management on current income, but it is understood that earnings for the full year may be somewhat less than last year, when they were only sufficient to cover bond interest requirements without making full provision for depreciation. The outlook for the company's preferred stock is uncertain and until there is a definite pick-up in business, prospects of dividend payments are remote.

Imperial Tobacco

Is the common stock of Imperial Tobacco Co. of Canada well regarded? I notice that its market value seldom shows much fluctuation and as the stock pays a fairly good dividend, I thought of buying a few shares.

Consumption of cigarettes and tobacco products in Canada this year has been on a greater scale than a year ago. In view of the fact that Imperial Tobacco Co. of Canada handles around 80 per cent of the tobacco business in this country, it is expected that the financial statement for 1933 will make good reading for the shareholders. The stock of this company is regarded as one of the sounder investment issues in the Canadian market. There is little or no speculative interest in it. The stock is bought for investment purposes.

Montreal Power

Please let me have your views on Montreal Power. I hold a small block of shares in this company and would like a report on its current position.

According to John S. Norris, president, Montreal Power's financial statement for 1933 will likely show earnings of $1.75 or better on the common shares. This is somewhat less than last year, but is still in excess of dividend requirements of $1.50 a share. The volume of power sales for this year will be less than in 1932, but the trend in recent weeks has been upward so that normally one might expect better sales and higher revenues in 1934. The company's stock is well regarded and for many years past has been one of the favorite investment stocks on the Montreal Stock Exchange.

Lake Superior

In connection with Lake Superior Corporation we have certain information given by you, but from this we have not been able to ascertain the standing of the 5 per cent first mortgage and collateral trust bonds dated June 1, 1904 and due June 1, 1944.

Your information stated that interest was defaulted in June, 1932. Does this mean that all other interest becoming due June and December has been paid on these bonds, that is, previous to June, 1932.

An owner of some of these bonds claims never to have received any interest on them since they were purchased, which was some considerable time.

We should also appreciate an expression of your view as to the present position of these bonds.

Interest on Lake Superior 5's of 1944 was paid until June 1, 1932, when it was defaulted, as the company's income statement shows. Your client must hold bearer bonds and may not have clipped his coupons.

The paying agent for the coupons is the Bank of Montreal, New York and London offices. This agency should meet any coupons your client holds which were due for payment prior to June 1, 1932.

If you have our corporation analysis of Algoma Consolidated Corp., you will note on page 7 that the income statement for 1931 and the six preceding years shows the deduction of the interest on these bonds. Your client should have no difficulty collecting the amount due to him.

The company is now in a friendly receivership on the petition of its parent organization, Algoma Consolidated. There are no new developments. Apparently the company is still not in a position to earn its fixed charges. Recovery from this will probably depend on the revival of capital goods industries, like construction and railways, which supply much of the demand for the company's products.

Canada Cement

I have been recommended to purchase some of the preferred shares of Canada Cement Co. Can you tell me anything about the company's earnings and what are the prospects for the stock?

There has been considerable speculative interest in both the preferred and common stocks of Canada Cement Co. in late months. This interest has been due, in a large measure, to the possibility of a public works programme on a large scale which would involve a considerable increase in the consumption of cement. As far as the current year is concerned, information is to the effect that earnings will be sufficient to cover bond interest requirements without provision for depreciation. In so far as future business is concerned, the company is in excellent position to take advantage of an improvement in demand. Costs have been reduced to a low point and an advance in consumption would result in a sharp increase in profits.

Convertible Bonds

Kindly give me the names of some good bonds or preferred stocks that have convertible features, giving particulars of same. In view of the possibility of inflation in Canada, would you recommend an investor holding 50 per cent of his investment in good bonds or fixed income securities?

We mention two of the more active bonds which might be classed among the type you suggest. In no sense are these recommendations.

The point of the problem of whether or not to hold bonds is that, unless the individual happens to be uniquely expert in investment, the risks of holding other types of securities are likely to offset the possible advantages. Even the shrewdest and best-informed investors often fail to judge stocks correctly, and their holdings must be constantly revised, if disaster is to be avoided.

And if a tremendous inflation occurred, it is questionable whether stocks themselves would protect the investor. There is as yet little apparent reason for supposing that gilt-edged Canadian Government bonds are going to become seriously impaired in this manner.

1. C. P. R. six per cent 10-year collateral trust debentures, due 1942. Convertible into common shares, four shares of stock for each $100 of debentures up to September 15, 1937.

2. British American Oil Co. five per cent debentures, due 1945. Convertible into common shares at the rate of $27.50 a share up to July 1, 1934, at $30 a share up to July 1, 1936, at $32.50 up to July 1, 1938, at $35 up to July 1, 1939, at $37.50 up to July 1, 1940, at $40 thereafter to maturity in 1945. The price indicates the amount of par value of debentures required to convert into one share of stock in the various periods. This is the only funded debt of the company, but more debentures may be issued to fund a bank loan. The company earned its interest 13.54 times after depreciation allowance in 1932.

There are other convertible bonds and preferred stocks, but the conversion privilege in many cases is apparently of little value at present.

The possibility of inflation in Canada may be more remote than radicals would like to believe. However, it is possible that rising prices may develop some time in the future. This may only be a moderate inclination, and if it is, there need not necessarily be any alarm over gilt-edged bonds.

McColl-Frontenac

It would be greatly appreciated if you would let me have a report on earnings for McColl-Frontenac Oil Co. Is the company earning the dividend on the preferred shares?

McColl-Frontenac Oil—One of the three principal oil refining and distributing enterprises in the Dominion—has been able to maintain its position and expectations are that earnings for the year ended January 31 next will compare favorably with that for 1932. In the latter year the company reported earnings of $15.89 on the preferred stock compared with dividend needs of $6 a share. Over the past five years the company has been able to earn the dividend on its preferred stock on an average of about 2½ times annually.

Dominion Textile

I notice that the common stock of Dominion Textile Co. is selling around 64 and paying a dividend of $4 a share. Will you let me have the latest information on this enterprise as to its volume of sales and earnings?

Operations and earnings of Dominion Textile Co. have undergone a marked improvement this year. In the year ended March 31 last the company earned only $1.80 on its common shares as against dividend needs of $4 a share. For the first six months of the current year the volume of sales was practically double those of the corresponding period of the previous year. Business has continued to hold up in a satisfactory manner and it is generally expected that revenue for the full year will be on a scale substantially greater than in 1932-33.

WHEN REMITTING
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CANADIAN NATIONAL EXPRESS
MONEY ORDERS

Rackets

Racket: "A trick, dodge, scheme, game, line of business or action."—Shorter Oxford English Dictionary.

Carfare, Please

THE pan-handler's request for "a nickel for a cuppacoffee" is not so frequent these days of highly organized civic relief, but is undoubtedly the progenitor of another form of beggary that is not uncommon in larger Canadian cities, where distances are long and street car service is available. The new plea is for a street car ticket, or for two cents to carry the suppliant to some point that is generally at the far end of the city. The amount asked is so small that many are inclined to make the donation, or, lacking the necessary coppers, even increase the amount to a nickel.

What is not generally known is that the pan-handler can turn his tickets in at some clearing house for cash almost as easily as he can change his pennies into dimes and dollars.

Charity Racket

SEVERAL years ago a Toronto man is reputed to have made $20,000 in one year from the sale of tickets and advertising in programmes of entertainments held in the name of charity. Others made lesser sums but the aggregate represented a substantial total that contributors understood was to be devoted to some worthy cause. This racket still continues to a somewhat lesser degree. The plan usually followed was for the organizer to secure the support of some organization which wished to make a contribution to some charitable institution. This support was secured by guaranteeing a certain nominal sum to be obtained by the organization sponsoring some sort of entertainment. The organizer offered to take care of all details of this entertainment, concert or otherwise, and contribute a certain sum for charity if he was given full privileges of selling tickets and programme advertising.

The tickets and advertising space in programmes were sold to firms and individuals who believed they were aiding a worthy cause and who assumed that the major part of their contribution would be given to that cause. The expense of the entertainment and the contribution to charity were usually far more than exceeded by the money collected and the organizer pocketed the difference.

In some cases on record the professional organizer dealt with well-intentioned organizations who were so emotional about the good work they felt that they were doing for charity that they paid little heed to the business aspects of the transaction. A simple audit of receipts and expenditures would have indicated that the entertainment was being run for the organizer and not for charity. In other cases the organizer was responsible for the formation of organizations with high-sounding names which could be used to sponsor ticket sales. In one case an organizer was responsible for the formation of a music club for women. The organizer never appeared in the picture but did pay rent for club room, telephone bills, etc. Prompted by the organizer, this club sponsored a concert for the benefit of missions and actually made a contribution to one mission which was used to show the good intentions of the club. Fortunately, this scheme was exposed before the organizer had an opportunity of "cashing in."

Mining Enquiries

Mining questions and problems submitted by subscribers of The Financial Post will be answered by letter and those of general interest will be published on this page. We cannot extend this service to non-subscribers. A three-cent stamp or stamped envelope must always be enclosed to cover the direct reply. Write general investment and insurance enquiries on sheets separate from mining enquiries. No answers can be given by telephone or telegram.

Harker Gold Mines

Is Harker Gold Mines likely to resume developments at its property? What is the present financial position of the company?

Harker Gold Mines was incorporated in 1924 by J. E. Hammell to develop a gold prospect comprising 18 claims in Harker township, Lightning River district, Ontario. A shaft was sunk to a depth of 1,000 ft. with lateral work carried out on the 250, 375, 500 and 1,000 ft. horizons. Development failed to disclose commercial ore of importance and the property was closed down in October, 1929. Officials have not intimated that further work would be undertaken. Chief interest in the company centres on its investment in Northern Aerial Canada Golds and Greene-Stabell Mines. The company practically depleted its treasury to purchase shares in these other companies and has funds just sufficient for incidental expenses.

Alliance Mining & Securities

I shall be greatly obliged to you for any information you are able to give me with reference to the Alliance Mining & Securities.

Is the company still in business? If so, has its stock any value and what are the prospects for the future operation of the company.

Alliance Mining & Securities, Ltd., was incorporated in 1930 to consolidate the Duprat, Corona, Boischatel, Marriott and Mormac holdings? This company is still in existence with its head office, at Room 111, Blackburn Building, Ottawa. L. A. McKinley is secretary. At last report it had some $56,000 in its treasury. The company has been dormant, but this year acquired a gold prospect in Northwestern Quebec about which little or nothing is yet known. The shares are not listed and there is no market for them.

Casey Mountain

Will you please give me some information regarding the Casey Mountain Operating Synd. and the Casey Mountain Mining Co.?

Casey Mountain Mining Co. was incorporated in 1907 and is still in existence. The executive office is c/o R. G. Williamson, president, Williamson Apartment Building, Regina, Saskatchewan. The company has been inactive since 1927. The company's property which is controlled by the Casey Mountain Syndicate, comprises 160 acres in Temiskaming mining division of Ontario. The shares are not listed and no marketable value can be attached to them.

The Casey Mountain Operating Synd. was incorporated in 1921. It is headed by the same R. G. Williamson that heads the Casey Mountain Mining Co. Principal interest in the Syndicate is the ownership of 1,050,000 shares in the Casey Summit Gold Mines, currently under active development by the Maple Leaf Mines which has an option on controlling interest. It also owns 1,400 acres adjacent to Casey Summit Gold Mines. The shares of Casey Mountain Operating Synd. are not listed and there is no established market for them. Should the Casey Summit Gold Mines become a profitable producer, the shares would doubtless take on new importance.

The Western Savings & Loan Association
Winnipeg, Manitoba
Agencies:
Butler Byers Bros. Limited
Saskatoon, Sask.
McCallum, Hill & Co.
Regina, Sask.
Equitable Agencies Ltd.
Calgary, Alta.

Woollen Mill for West

The establishment of a small woollen mill for the manufacture of yarns and blankets is contemplated by W. J. Trott and James Kinney, of Lacombe, Alta. The mill will be established either at Lacombe or Edmonton.

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MONEY WORRIES
Money worries sometimes come from making unwise investments. The investor has acted on insufficient information and has made losses that might have been avoided if he had investigated more thoroughly before buying.
The Financial Post
SURVEY OF CORPORATE SECURITIES
1933
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2. Names of all officers and directors.
3. Balance sheet and income and surplus account for three years.
4. Price range of stock for past four years.
5. Dividend rate and when payable.
6. Capital structure and funded debt.
7. Funds in which bond interest is payable.
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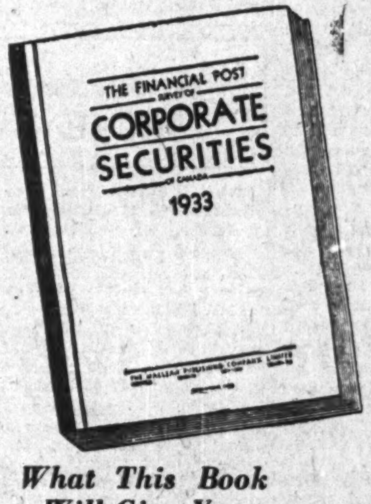

THE FINANCIAL POST SURVEY OF
CORPORATE SECURITIES
1933

Insurance for Buyer and Seller

POLICY CHANGES IN NEW MANUAL OF LONDON LIFE

Lower Cash Surrender Values and New Contracts Included

Important changes for policy holders and agents are announced with the publication of the new rate manual of the London Life Insurance Co. The manual is now being distributed to agents and becomes effective January 1.

Changes have been made in the cash surrender values on the company's policies, The Financial Post learns from J. D. Buchanan, actuary of the company. These changes are not drastic, but an effort has been made to adjust the surrender value, so that they are suited to present-day conditions as to earnings.

In the early years in most of the plans, cash surrender values have been reduced. In some plans in the later years, due to a change in the mortality tables the values, however, have been increased.

Another change has been in what is known as the "interchange" privilege. In some of the company's policies this privilege has been extended so that the low premium plans may be conveniently adjusted to provide for a retirement fund at age 60 or 65. The company finds there are many applicants who are interested in making provision for old age, but who find it impossible to buy a policy with an important investment feature, immediately at the time of issue.

With a view to facilitating such a plan, and enabling prospects to purchase a low premium plan with an automatic arrangement for interchange to a policy maturing at a retirement age, this move has been made.

Trend to Children's Policies

On a number of the company's policies, rates and guaranteed values are being shown for all ages, 1 to 70, inclusive. This is being done to make it convenient for agents to satisfy the demand for ordinary policies on the lives of children.

This showing of rates for all ages under 20 years of age, according to Mr. Buchanan, is an interesting development when it is considered that only a few years ago there was a very small volume of business issued at the ages under 20. At the older ages between 65 and 70 there is a limited volume of business written, but the company believes it is convenient for its representatives to have the premium rate to satisfy enquiries.

More Investment Policies

Another important change is in its investment policies. In common with other companies, London Life has found an increased demand for policies of the investment type, namely, pension or retirement annuity policies, with and without insurance and long term endowment plans. The main purpose of these policies is to provide a sum of money in later years for retirement purposes or an income at a stated age. The new manual of the London Life has enlarged these facilities.

Educational policies for children have also been adopted, termed the "Child's Income Plan." It is hoped that these contracts will provide a satisfactory means for a father to make certain of the support and education of his children, even though he may not live through the child's educational period.

Edmonton Pleased At Insurance Sales

Optimistic reports from the life insurance business around Edmonton are contained in a check made by the Edmonton Journal recently.

Here were some of the opinions expressed:

R. F. Sutton, manager of the Sun Life, said: "Decided improvement during the past 60 days in the repayment of policy loans, revived policies, and the increased volume of applications for life assurance and annuities."

C. M. Horner, manager of the Mutual Life of Canada, "Production is slightly increased. Premium collections are very good. Terminations are decidedly less."

William F. Miller, superintendent for the Prudential Life said: "There is an improvement. We are better in all lines. Collections are keeping up well. Terminations are less than in 1932."

C. D. Lemmon, of the Metropolitan Life mentioned the decided impetus being felt in all branches.

The Commercial Life feels similarly, E. B. H. Shaver said: "We find a distinct improvement in the general situation. There is a greater response to productive effort. Collections from all sources are better, and we find on the whole a greater degree of self-reliant initiative and personal responsibility being exhibited."

G. H. Beaudry President Montreal Underwriters

Officers of the Life Underwriters' Association of Montreal for the ensuing year were elected at the annual meeting as follows:

George H. Beaudry, of the Imperial Life Assurance Co., was elected president for 1934, while the offices of first and second vice-presidents went, respectively, to A. D. Poitras, C.L.U., of the Sun Life Assurance Co., and G. F. French, C.L.U., of the London Life. J. A. Fournier, of the Mutual Life Assurance Co., was elected treasurer, while the following were elected directors:

R. E. Bliss, C.L.U., Confederation Life Association; A. H. Illsey, C.L.U., Imperil Life Assurance Co.; H. F. McAdams, Manufacturers Life Insurance Co.; J. N. Bellin, Prudential Assurance Co. of London, Eng.; A. G. Brewer, Travelers Insurance Co.; J. B. Hamilton, Canada Life Assurance Co., and Grant M. Burn, C.L.U., Prudential Insurance Co. of America.

West Ships Sheep East

For the first 45 weeks of this year 48,831 sheep were shipped from Western to Eastern Canada as compared with 35,733 for the same period last year. Cattle numbered 76,702 as against 72,679 for the corresponding 45 weeks of 1932.

Regina Fair Profitable

Final results of the operations of the Regina Exhibition Association for the year, including summer and winter exhibitions and all other activities, gives to the board a surplus of revenue over expenditures of $32,281.

Much Misleading Material in Insurance Publication

"How Safe is Life Insurance?" Contains Dangerous Insinuations Against U. S. Business

L. Seth Schnitman, who styles himself as formerly chief of division of Survey of Current Business, Department of Commerce, has chosen a sensational title for his 250-page castigation of the life insurance business as carried on in the United States.

He calls his book "How Safe is Life Insurance?" The book however, is disappointing and misleading, and there is little consolation for Canadians that on the cover the reference is made that Canadian companies are safer than their contemporaries and that insurance is actually being placed in Canadian companies on that account.

This particular reference is to the press despatch of last September which revealed that employees of the United States treasury department had placed a contract providing for a group annuity planned with the Sun Life of Canada. The Associated Press Despatch from Washington is quoted as saying that this had been done after "a careful investigation of other insurance organizations."

Agents Criticized

Taking figures chiefly from the records of the leading life insurance companies in the United States, Mr. Schnitman's criticisms of the business centre around the fact that as a result of high pressure methods, American citizens have been sold tens of millions of dollars worth of protection on the premium income of which already life agents now fatten by means of first year and renewal commissions. Another general criticism is that insurance companies have forced so many millions of dollars of their investment income into railway bonds, municipal debentures and so forth, as to be themselves in considerable measure responsible for the over-development that has taken place and the high taxes which must now be faced as a result of the over development. Life companies are roundly criticized for their poor judgment in continuing to purchase and hold railway bonds after 1920 in large quantities; for having "gambled heavily on inflated values of farm lands;" and so forth.

The broad criticism of companies having grown too fast is summed up in the following paragraph:

"They (the life companies) have been instrumental, in no small measure in the creation of savings at a pace too fast to be consonant with safety. Because of this they have contributed largely to a too rapid expansion of capital facilities — too many buildings, too many bonds, too rapid expansion of utilities, too broad development of railroads, too extravagant local government — the sins of which will be visited upon prosperity."

From among a mass of material which is only convincing in a very superficial way, if at all, Mr. Schnitman produces a few constructive suggestions for the improvement of the business generally. These suggession, however, would seem to have little connection with the very startling title of the book.

Thus in his analysis of municipal investments which, he admits, is relatively small when compared with aggregate assets, he throws out the suggestion that the "benighted leaders" of insurance "failed signally to call a halt in the financial witchcraft of our instrumentalities of government." He suggests that with more vision and courage they could have, through their association of life insurance precedent, directed attention to the rising debt structures of local governments.

Just how pertinent this particular criticism is in the United States is perhaps not for Canadians to decide, but it is probably true that life company officials in the past have not used their influence and knowledge to a degree which might be expected in view of their close contact with all types of industry and finance and the power which they undoubtedly could exercise through millions of policyholders.

Public Utility Bonds

Another criticism is that while public utilities, for instance are prosperous at the present time, there is little or no justification for life companies holding in their portfolios, bonds and debentures of public utility corporations which do not appear until such dates as 2025. The obvious answer to this which Mr. Schnitman apparently neglects, is that with wise leadership these securities would not remain on the books of life insurance companies by that time if the industry had ceased to be prosperous, say in 1960. But Mr. Schnitman does not believe that there is wise leadership among life insurance companies, hence, perhaps, criticism.

The present depression, much more effectively than Mr. Schnitman's diatribe has probably served to bring home to officers of leading companies the fact (if they did not already know it) that there is a time to sell as well as a time to buy. It is probably true in United States as it is in Canada that much of the tribulation of the past few years might have been avoided if life companies had paid as strict attention to the need for selling securities as they did to purchasing.

Buying too Readily

Perhaps there is also some point in his criticism that life companies have in the past bought many securities almost "by a flip of a coin." It is claimed that policyholders received a far closer surgical examination upon application for insurance than was given to many of the "municipals" which companies have purchased. Investment departments of life companies will undoubtedly deny this accusation vigorously, but there may be a germ of truth in it for all that.

Another suggestion which is an interesting one and which is apparently based on a statement of Shepard Homans 60 years ago, (credited as being the author of the American experience mortality table of 1868) is that the one function of life insurance is protection and to use Mr. Homans' words, "there is but one form of contract issued by a legal reserve company that will give the insured a square deal."

The criticism is levied against endowment policies which while increasing the cost of insurance do not increase the protection. The suggestion of Mr. Homans is that a company should be compelled to open a double entry account with each policyholder. Then, in the event of the insured dying before the investment part of his contract became effective, the company would be compelled to return to the beneficiary in addition to the face of the policy that amount he had placed with the company for a purpose he had failed to live to realize. Virtually, the same principle is now practised in respect to the sale of annuities which can be bought on a "guarantee" basis which assures that at least the amount that has been paid in will be returned, if desired, in the event of death.

Other criticisms include group insurance which it is felt weighs against the employment of older men since it is much cheaper for the employer to keep his staff as young as possible; against industrial insurance for being a too expensive type of policy and collecting premiums on children's lives instead of on those of wage-earners; against "convention" values which have been used in the past two or three years to "hoodwink" policyholders about the safety of their companies; against the expensive duplication of jurisdiction which requires that the business be handled under 49 states instead of under one central authority; against mutual companies because their directorates are self-perpetuating.

Urges Federal Monopoly

As might be suspected Mr. Schnitman concludes his book with the plea and suggestion that the only ultimate future of life insurance is its operation as a federal monopoly with compulsory protection for which premiums will be deducted from the pay envelopes of the workers. En route to this ultimate goal Mr. Schnitman suggests various alternatives that he recommends for adoption.

Finally he answers his own question "How Safe is Life Insurance?" by the rather obvious remark:

'It is as safe only as its administration is safe; as safe only as the investments on which it rests are safe; as safe only as its policyholders will see to its safety; and secure only as a benign government will accept the broader challenge and bring it under its regulation and control."

A vigorous criticism of the book is its inaccuracy and innuendo. Eastern Underwriter of New York discussed this in a recent editorial when it said:

"A sound thinking executive who has read his book says it contains so many half truths and false deductions that it would take another book to refute them. To illustrate, the author alleges that the passenger death rate of steam railroad travel when compared with that of airplane travel produces figures which would indicate the relative safety of the latter. What are the facts?

"In 1930 the number of people killed by steam railroads was 5,481. Since railroad passengers that year travelled 28 billion miles, the author figures that one person was killed for every 5.1 million passenger miles. Before going on to the airplane hazard it will pay to look into this conclusion. The 5,481 deaths involved trespassers, yard men, grade-crossing deaths, and what-not. Only fifty out of the 5,481 were passengers riding on the trains. Since these are the ones in which we are interested for the purpose of computing the hazard of railroad passenger travel, the death rate comes out to be one death for over 500 mililon passenger miles. Quite a difference!

"In 1930 the committee of the Actuarial Society of America (which works in close co-operation with the Department of Commerce) computed the airplane passenger death rate in 1930 to have been one for every 4.3 million passenger miles flown. In other words, it was well over one hundred times as safe to travel in a railroad train in 1930 as it was to travel in a commercial airplane on a regular scheduled flying route.

"Schnitman's conclusion was that airplanes were actually safer than railroads. He does not use the 1930 death rate for airplanes but uses a 1933 figure of one death for every 12.7 million air passenger miles. Where he got this figure is a mystery. The committee of the Actuarial Society which made a report in Chicago last month states that there has been in the last year or two no significant change in the death rate of airplane travel in regular commercial scheduled flying.

"Having satisfied himself that airplane travel is less hazardous than railroad travel, he draws the conclusion that life insurance discriminates against airplane travellers because the companies have heavy holdings or railroad bonds and therefore want to hamper the budding airplane industry. Could anything be more preposterous! The only reason why the companies have had to guard against the airplane hazard is the additional death rate."

Incidentally a check-up by the Eastern Underwriter at Washington is said to have disclosed that Mr. Schnitman had only a minor position as a statistician in that city and that his publishers have given him "a glorification that his Washington experience did not justify."

Published by Vanguard Press, New York. Price $2.

Heads Underwriters

J. C. ROSS

Of the Travelers Insurance Co., who was elected president of the Toronto Life Insurance Underwriters' Association for 1934.

C. F. Richardson and George F. Crum were chosen as first and second vice-presidents and J. S. P. Armstrong and C. V. Earl as honorary secretary and honorary treasurer. Ryrie Smith, retiring president, was elected honorary president.

Insurance Inklings

A. WALDRON has been elected president of the Life Underwriters Association of Hamilton, Ontario.

HARRY HARDERN succeeds, E. F. Elsey as president of the Life Underwriters Association of Winnipeg.

E. E. REID, vice-president and managing director of the London Life Insurance Co., will represent the city of London on the board of governors of the University of Western Ontario.

HOMER S. ROBINSON was elected president of the Life Assurance Managers' Association at the annual meeting held recently in Winnipeg. R. M. Millett was elected vice-president and Trevor Hawgood, secretary-treasurer. The executive committee consists of J. Yarnell, H. A. H. Baker, O. Price-Jones, N. A. McMurchy and M. McDonald.

The London Life announces the following staff changes:

Peterborough, formerly a part of the Orillia district, is being made a Detached Superintendency under superintendent C. J. BISSON, and will now be directly responsible to Home Office.

* * *

C. W. BUELL, former agent at Brockville, has been promoted to the rank of superintendent at Kingston.

J. SKINNER, formerly agent in Sydney, has been made a superintendent at Glace Gay.

C. B. WHITE, formerly agent at Toronto Yonge, has been appointed superintendent in Brockville.

A. COWAN, former agent in Verdun, will take over the superintendency formerly headed by W. M. FERGUS, while Superintendent Fergus will take over the F. Collier superintendency.

J. U. RICHARD, former agent in Montreal Maisonneuve, has been promoted to a superintendency in that district.

J. P. HENDERSON has been promoted to succeed G. E. Ackroyd as superintendent in Toronto Albert.

D. S. ROGERS has been promoted to succeed superintendent W. E. Craig at Toronto Danforth.

B. T. CALLAGHAN has been advanced to the rank of superintendent at Toronto Main.

E. A. KEHOE, agent in the Halifax office, has been promoted to the rank of superintendent in that district.

PROTECTION
THE ONTARIO EQUITABLE
LIFE AND ACCIDENT INSURANCE COMPANY
HEAD OFFICE WATERLOO ONTARIO

The satisfaction policyholders have in their contracts with this Company offers the basis of opportunity for its representatives. Assets exceed $8,200,000.

Operating in Quebec, Ontario, Manitoba, Saskatchewan, Alberta and British Columbia

FIRE AUTOMOBILE WINDSTORM

Insurance in force over $250,000,000.00
Total Assets over 3,000,000.00

Agents required in Ontario

Write Eastern Branch, 2 Toronto St., Toronto, Ont.

THE WAWANESA MUTUAL INSURANCE CO.
Head Office—Wawanesa, Man.

NORTHWESTERN MUTUAL FIRE ASSOCIATION
SEATTLE WASHINGTON
HEAD OFFICE FOR CANADA HAMILTON ONTARIO
WRITING FIRE AND AUTOMOBILE INSURANCE AT COST ASSETS $4,616,449.70

BRANCH OFFICES
Toronto
Ottawa
Vancouver
Victoria
Edmonton
Calgary
Saskatoon
Winnipeg
Montreal
Quebec City
St. John
Halifax

ALL POLICIES NON-ASSESSABLE PAYING DIVIDENDS RANGING FROM 20% TO 30%

Insurance Problems

Insurance questions of general interest submitted by subscribers of The Financial Post will be answered in this column. Other enquiries will be answered by mail. A three-cent stamp should be enclosed to cover a direct reply.

A Professional Man's Problem

In view of the wide-spread interest of this insurance problem and the fact that it is typical of a situation which faces many professional men at the present time, The Financial Post publishes at considerable length the reply and suggested course of action in the belief that it will be of considerable interest to our readers, whether buyers or sellers of insurance.

I am a dentist carrying $45,000 of insurance either on endowment or limited payment plan. The combined premiums aggregate $2,500 a year.

The policies are as follows:

1. $1,000 20-pay life — Prudential Life, 16 years paid.
2. $2,000 20-pay life—Mutual Life, 13 years paid.
3. $5,000 20-pay life—Mutual Life, 8 years paid.
4. $7,000 20-pay life—Sun Life, 11 years paid.
5. $30,000 15-yr. endowment — Sun Life, 3 years paid.

My problem, on which I would appreciate your advice, is that the heavy endowment policy was acquired shortly after the 1929 crash to make me independent at age 50. My present income, however just covers living expenses since it has been cut in half during the last two years.

At present prices, I have about $15,000 of various securities which return me an income of $900 per year. I think the value of these has about struck rock bottom. The question now arises:

Would you advise selling these securities from year to year to meet the insurance premiums, trusting that before they are exhausted, my income will be sufficient to carry them to completion?

On the other hand, should I take the cash surrender value now and hold my present list of securities intact?

For a comprehensive analysis of your situation the following factors should be considered:

1. Your present age.
2. The age at which you wish to have your financial commitments completed for your retirement fund.
3. Your family, whether boys or girls, their ages and your educational plans for them.
4. Whether or not your insurance policies provide an income in the event of loss of earning power through total disability.
5. Prospects for income improvement.
6. Your cost of living and practice.
7. Your health.
8. The importance of protection balanced in your own mind against the importance of accumulation for retirement, and the scale on which you wish to live after retirement.

Your letter states indirectly that you are now about 38 years old. A constructive method is to call yourself 60 years old, and work backward. A joint and last survivor annuity life income between a man aged 60 and his wife aged 55 calls for the investment of about $39,000 to provide an income of $200 a month. This gives you an objective (though annuity rates are likely to be increased). By that time your children will probably be educated and self-supporting.

You will probably say that a dentist should have his financial commitments completed for his retirement fund not later than 55 years of age so that he can let his fund accumulate between then and the time that he wishes to close his office.

What is Your Objective?

The question then arises "What do you have to set aside per annum to attain whatever objective you have in mind?" Your life underwriter or your banker could tell you from their compound interest tables, based on your present age. You will be able to see from the guaranteed cash values in your insurance policies what they will do in this respect. This method of tackling the question will probably give you the information you want on the accumulation side of the picture. You should not forget that there have been eleven depression cycles in a century, the next two or three should therefore be considered.

From the protection angle, the suggestion is to employ the following method:

1. List your expenses.
2. Remove yourself from the picture, thus eliminating certain items and see what income your family would need.
3. List your estate assets.
4. List your estate liabilities, including last illness, burial, loans or notes to be met, current bills and debts, current year's income and real estate taxes, succession duties, and estate wind-up expenses (usually about 3 per cent).
5. Subtract 4 and 3 and see if the income is up to the income requirements revealed by 2.

This method will give you a definite objective from the protection angle. You will then be in a position to get the "feel" that you want of the most suitable balance between protection and accumulation for your picture.

Reducing Your Insurance

If your final decision is that your insurance premium deposits must be reduced until your income returns to normal, there are several ways of reducing them without lapsing your protection. One of these methods might suit your requirements better than taking your cash surrender value. Your life underwriter could show you how paid-up insurance works, or what the non-forfeiture privilege means and other ways of changing them over from high premium investment plans such as you have to low premium protection plans.

If you have no total disability income in your insurance policies your securities provide a bulwark against this contingency.

May we suggest that with such a substantial estate you pay particular attention to your will. If some of your insurance policies are payable on an income basis there is still the question of the protection of your securities to be considered from the will angle. Substantial savings in succession duties can also be effected through a well planned will.

Quebec Shipping Active

During the 1933 shipping season 1,274 vessels of all tonnages stopped at the Port of Quebec inbound or outbound, according to figures published at the Quebec Harbor Master's office. During November 184 craft touched at the port. Approximately 100,000 tons of cargo was taken on at Quebec, while over 75,000 tons of freight and merchandise were discharged.

INDEPENDENCE

The SUN LIFE will guarantee:

To pay you, when you reach the age of 65, a Retirement Income of whatever amount you may determine, for the rest of your life.

To pay to your estate, should you not live to the age of 65, a minimum amount of the whole of the deposits you have made.

Profits may be applied to increase the benefits, or to reduce the deposits required.

The Retirement Income Bond makes you your own pensioner.

Your nearest Sun Life agent will be glad to furnish full particulars.

SUN LIFE ASSURANCE COMPANY OF CANADA
HEAD OFFICE : MONTREAL

PROTECTION

The Independent Order of Foresters is a fraternal benefit society operating under a lodge system and existing for the purpose of affording to men and women the completest protection at the minimum cost. This protection covers practically every phase of family life. In addition to the protection afforded through its Insurance and Sick Benefit Departments, a number of practical fraternal benefits are available to its members.

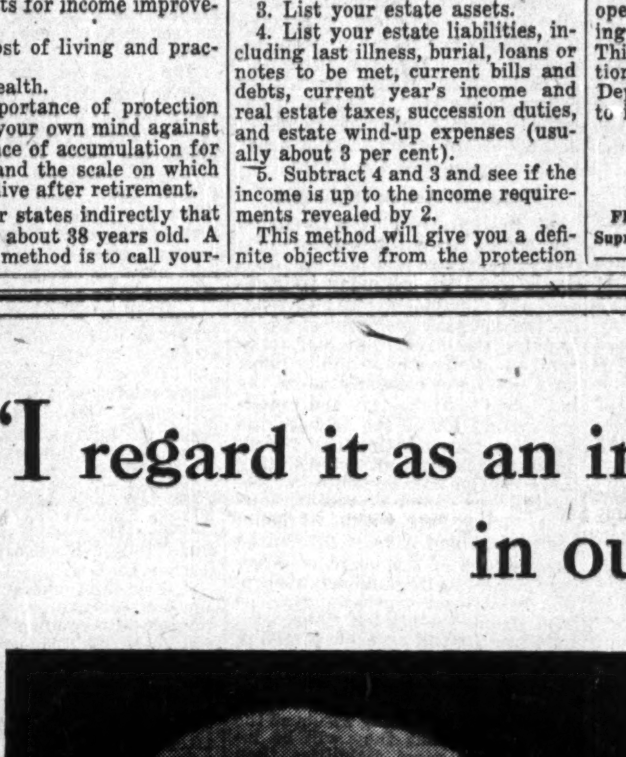
Assets — $49,000,000.00

Independent Order of Foresters

FRANK E. HAND
Supreme Chief Ranger

HEAD OFFICE: TORONTO, CAN.

"I regard it as an important factor in our national life"



Ven. Archdeacon F. G. Scott, C.M.G., D.S.O.
Quebec City

". . . Maclean's Magazine has won its way to the front by the broad and brave treatment of our national opinions and interests.

"I feel grateful that we have such a magazine in Canada and I regard it as an important factor in our national life."

MACLEAN'S is Canada's national magazine. It is recognized as such by public men from coast to coast. It is known in England and abroad as being truly representative of Canadian opinion. No other magazine in Canada is so frequently quoted and discussed wherever men of affairs are gathered.

The leadership Maclean's has won is not a happy accident. It has come through constant effort, over a period of years, to make Maclean's equal in contents and appearance to the best magazines of any country. The half million people who now read Maclean's twice each month do so because they like it and respect it.

In its influence upon Canadian opinion and in its understanding of the Canadian point of view, Maclean's stands alone. It is unquestionably the most effective medium available to a national advertiser in Canada.

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Head Office, 481 University Avenue, Toronto; Branches: Montreal, Chicago, New York

Bank Chat on Current Topics

Economist Develops New Technique

ANTIDOTE for the human frailty of painting the future in rosy hues when things are going well or making things look blacker when they are already black enough has been developed by a Toronto economist who already has a well-earned reputation for clear thinking. As is well known, charts and graphs are essential tools of the economist's trade and our economist friend has developed a technique of chart reading that will probably not become as widespread as it deserves.

The trick involves the use of two types of reading glass; one that magnifies, and one that reduces the image. When the graph or figures begin to look so good that the mind can envision a land of milk and honey in the immediate future, viz., 1928 and 1929, the reducing lens is brought into use to obtain the proper perspective; when the graph or figures begin to look hopeless and absolute ruination seems just around the corner, viz., January, 1933, the magnifying lens is used. A further refinement that has not as yet been developed is to tint the reducing lens a smoke color and the magnifying lens a warm shade of pink.

Our New Year's wish is that banker friends of The Finacial Post will not be deluged by a shower of pink magnifying glasses presented by importunate borrowers.

* * *

Historical Scene

THE founding of Toronto in 1793 forms the theme for the 1934 calendar of The Bank of Toronto; a particularly suitable one since Toronto is celebrating, in 1934, the centenary of its incorporation as a city which took place on March 6, 1834 when the infant metropolis had a population of 9,000.

The artist, C. W. Jeffreys, is noted for his paintings and pen and ink sketches of historical subjects. One of the finest pen and ink artists in Canada, he can so effectively wield his brush that events of the past are brought to life on his canvas with a rare fidelity. It is another of these that have been added to the Bank of Toronto series, a picture of Governor-General Simcoe inspecting the buildings of the fort at Toronto on the site that he had previously chosen. The Governor-General is the central figure in his scarlet uniform, flanked on the left by his aide and on the right by an officer of the Queen's Rangers who are constructing the fort from squared timbers and hand-sawn boards.

Staff Changes

J. C. WISEMAN has been appointed manager of the Bank of Montreal branch at Walker Rd., Walkerville, Ont. Mr. Wiseman was formerly manager at London St. branch in Windsor but was transferred to *Knowlton, Que.*, branch in February, *1933*. He has been connected with the bank since 1909 and has spent some nine years in the Border Cities.

Foreign Exchange

AMERICAN dollars continued to show strength and comparative stability in the week ended Dec. 23. Reports from London that the British Government is distinctly anxious to avoid too high a level for the pound contributed to strength in American dollars, it is thought.

Canadian dollars were lower against American money, apparently on the basis of the strengthening of the United States currency against sterling, these two having been the chief monetary influences on Canada in the last two years of widely fluctuating exchanges.

Francs have continued to hold steady. Expert opinion now appears to be that France may be able to stay on gold. Budget crises are common in French politics, but apparent survival of the latest has re-established confidence in the most important of the remaining currencies redeemable in gold.

FOREIGN EXCHANGE

New York Funds

	High (Discount)	Low (Discount)	Last Year High (Premium)	Last Year Low (Premium)
	%	%	%	%
Dec. 19	3-8	3-4	15	14 1-2
Dec. 20	1-16	3-8	14 7-8	14 1-2
Dec. 21	1-16	1-8	15 1-4	15
Dec. 22	1-16	1-4	15	13 7-8
Dec. 23	1-8	3-16	14 1-16	13 7-8

STERLING, FRANCS AND LIRE

Close: Demand in New York

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Dec. 19	5.14	.0616 1-2	.0826 1-2
Dec. 20	5.09 7-8	.0609 3-4	.0817 1-4
Dec. 21	5.09 1-2	.0609 1-2	.0817
Dec. 22	5.10 1-2	.0611 3-4	.0821
Dec. 23	5.10	.0612	.0824
Dec. 25	......	......	......

Close: Demand in Toronto

	Sterling	Francs	Lire
Gold par	$4.866	$0.03918	$0.0526
Dec. 19	5.12	0.0615	0.0824
Dec. 20	5.08 1-4	0.0608	0.0816
Dec. 21	5.07	0.0606 3-4	0.0813
Dec. 22	5.10	0.0611	0.0821
Dec. 23	5.10 5-8	0.0612	0.0821
Dec. 25	......	......	......

	Reichsmarks	Belga	Yen
Gold Par	$0.238	$0.139	$0.498
Dec. 19	0.3746	0.2187	0.3127
Dec. 20	0.3713	0.2164	0.3137
Dec. 21	0.3704	0.2159	0.3124
Dec. 22	0.3733	0.2173	0.3136
Dec. 23	0.3726	0.2170	0.3134
Dec. 25	......	......	......

Weekly Bank Clearings

	Dec. 21 1933	Change year ago	Dec. 14 1933
	$	%	$
Halifax	2,075,870	—0.7	1,905,496
Saint John	1,508,335	—0.1	1,398,882
Moncton	798,172	+1.6	754,258
Sherbrooke	577,026	—1.3	460,152
Quebec	3,982,272	+6.5	3,199,477
Montreal	80,189,537	+9.6	67,458,027
Ottawa	4,087,231	—9.0	3,607,666
Kingston	462,741	—10.1	459,791
Peterborough	674,829	+1.1	542,978
Toronto	94,526,874	+14.3	80,054,420
Hamilton	3,604,126	—4.0	3,175,056
Kitchener	1,099,892	+15.3	805,096
Brantford	837,359	+0.2	600,742
London	2,431,487	+0.1	2,074,547
Chatham	656,788	—15.7	448,339
Windsor	2,161,878	+0.3	2,017,367
Sarnia	452,587	—10.2	352,443
Sudbury	585,992	+38.4	612,263
Fort William	605,452	+1.2	505,601
Winnipeg	31,590,870	—32.2	34,611,949
Brandon	305,103	—14.9	258,325
Regina	2,921,255	+11.2	2,770,000
Moose Jaw	512,426	—21.1	445,445
Saskatoon	1,218,730	—15.4	1,086,880
Pr. Albert	258,407	—1.9	227,598
Edmonton	3,776,424	+2.8	3,378,747
Calgary	4,108,743	—22.6	4,222,841
Medicine Hat	193,520	—7.0	186,982
Lethbridge	383,679	—0.7	397,585
Vancouver	13,948,327	+6.8	11,611,578
Victoria	1,344,288	+5.3	1,338,396

Current Events in Banking World

COMMERCE HAS LOWER PROFIT $12.16 A SHARE

Provides $10,000,000 For Contingencies From Reserve

IS 58 P.C. LIQUID

Assets $574,196,003, Total Down as Result of Drop in Savings Deposits

Reduction in the net profit of the Canadian Bank of Commerce in the year ended November 30, 1933, is shown in the annual statement recently issued after provision for all bad and doubtful debts and depreciation of securities. Net profit at $3,648,832 compares with $4,279,424 in 1932 while earnings per share dropped to $12.16 on the 300,000 shares outstanding as against $14.26 in 1932, $15.92 in 1931, and $17.93 in 1930. With no increase in depreciation reserve and taxes and decreased commitments on account of dividends and pension fund payments, the bank was able to increase surplus account by $142,667.

There was practically no change in the bank's liquid position from that of the previous year with readily available assets at 58 per cent of all liabilities to the public and 53 per cent of total assets.

The income and surplus account is as follows:

INCOME AND SURPLUS ACCOUNT

Years Ended November 30

	1933	1932
	$	$
Net profits*	3,648,832	4,279,424
Less appropriations:		
Dividends	2,550,000	3,300,000
Pension fund	226,165	265,607
Depre. on prem.	150,000	150,000
Taxes	550,000	550,000
Donations	30,000	40,000
Surplus for year	142,667	†16,183
Add: Prev. surplus	519,500	535,683
Bal. carried forward	662,167	519,500

*After deducting charges of management and providing for all bad and doubtful debts.
†Deficit.

Reduces Reserve

In view of the comparative stability of capital reserves of Canadian banks the transfer of $10,000,000 of the $30,000,000 reserve fund of the Canadian Bank of Commerce to contingent reserve is one of the outstanding features of the report particularly since it is indicated that adequate provision has been made for all bad and doubtful debts and depreciation of securities. The reason given for this transfer is "as a precautionary measure, to provide against possible contingencies that may arise in future." Only three times previously, in the entire history of the bank, has the reserve fund been reduced, in 1878, 1886 and 1887.

The statement of the bank shows an increase over last year in note circulation, in commercial deposits which are non-interest bearing and in balances owing foreign banks. Interest bearing deposits, however, are down by $26,828,000 reducing the total of liabilities to the public to $521,454,294 from $537,152,826 shown at November 30, 1932. Balances owing other banks in Canada are down to $1,469,607 from $1,883,862.

Gold holdings at their statutory valuation in Canadian currency amount to $16,778,000, Dominion notes to $37,087,099, notes of other banks to $1,033,530 and United States and other foreign currencies to $4,978,411, the increase in this last item being $4,312,000. The total of these cash holdings is $59,877,541 or about $4,418,000 below a year ago. Lower balances are kept with other banks and banking correspondents and amount in all to $15,395,322. On the other hand holdings of government and other high-class securities have risen by about 15 millions and stand at $153,352,374, of which $102,000,000 are Dominion and Provincial securities. Call and short loans in Canada amount to $29,413,586 and outside Canada to $30,409,249, the decline from last year being greater in the case of loans outside Canada.

Current Loans Down

Current loans in Canada are $211,631,665 and outside Canada $16,628,652. Other items on the assets side are non-current loans, mortgages on real estate, real estate other than bank premises, totalling $7,000,000, bank premises at $15,000,000, shares of and loans to controlled companies $4,000,000 and the liabilities of customers under Letters of Credit amounting to $13,000,000.

The balance sheet as at November 30, 1933, and 1932 compare as follows:

GENERAL STATEMENT

As at November 30

	1933	1932
Assets—		
Immediately Available Liquid Resources	$	$
Specie	16,778,500	17,520,568
Dominion notes	37,087,099	36,940,627
Deposit in gold res.	......	8,000,000
Due by forn. banks	15,879,866	24,804,811
Foreign currency	4,978,411	666,407
Gov. securities†	101,913,936	101,184,725
Call loans abroad	30,409,250	38,612,440
	206,547,062	227,729,578
Loans and Securities Other Than Those of Canadian Government		
Public securities†	39,266,779	24,776,835
Rly. & other secur.†	12,172,659	12,496,042
Can. call loans	29,413,586	31,195,965
Can. current loans & disc.*	211,631,666	231,077,598
Cur. loans abroad*	16,628,653	15,836,308
	309,113,343	315,382,748
Due from Other Banks		
Notes of other bnks.	1,033,530	1,167,770
Cheques of other banks	16,463,562	15,419,797
Due by other banks	15,456	11,699
	17,512,548	16,599,266
Other Assets		
Non-current loans	2,376,658	2,770,963
Real estate	2,533,550	2,479,208
Mortgages	2,545,204	2,614,404
Letters of credit	12,952,125	12,060,707
Premises	14,871,772	15,099,299
Deposit re circ. fnd.	1,250,000	1,250,000
Shares in contr. cos.	4,017,124	3,997,589
Other assets	476,617	331,364
	41,023,050	40,603,534
	574,196,003	600,315,126
Liabilities—		
To the Public		
Circulation	23,444,806	22,507,359
Gov. advances	15,000,000	15,000,000
Deposits by public:		
Non-int. bearing	94,682,969	90,803,321
Interest bearing	352,324,242	370,152,309
To banks abroad, etc.:		
Foreign banks	22,998,641	17,617,153
Bills payable	51,511	11,977
Letters of credit	12,952,125	12,060,707
	521,454,294	537,152,826
Due bnks. in Canada	1,469,607	1,883,862
To the Shareholders		
Dividends	609,935	758,938
Reserve	20,000,000	30,000,000
Capital	30,000,000	30,000,000
Surplus	662,167	519,500
	51,272,102	61,278,438
	574,196,003	600,315,126

*After provision for bad and doubtful debts.
†Not exceeding market value.

Royal Bank Transfers $15,000,000 to Reserves

Reserve Inner Reserves and Provide Adequately for Future Contingencies — Earning Power Lower in Year Ended November 30

From Our Own Correspondent

MONTREAL. — Royal Bank of Canada's financial statement for the year ended November 30, 1933, features the transfer of $15,000,000 from disclosed Reserve Fund to reimburse the inner reserves of the bank and to provide reserves which the directors consider adequate for future contingencies.

Balance sheet shows a total of assets amounting to $729,260,476. This compares with $765,512,920 at the end of the previous year. The drop is largely explained by the transfer of the $15,000,000 to inner reserves and a relatively small drop in deposits.

Earnings Register Drop

Earnings registered a drop last year from $4,861,849 to $3,901,649. The latter figure was sufficient to take care of dividends on the new basis, to cover the usual appropriations to Pension Fund and Bank Premises Fund, Dominion taxes and leave a balance of $216,649, which was carried forward to the profit and loss account.

Principal among the changes in assets is a drop of gold and current coin from $28,168,913 to $14,117,860. This is offset largely by an increase in Dominion notes from $38,046,090 to $48,922,234, and United States and other currency which has increased from $16,012,894 to $21,713,831.

Deposits in the Central Gold Reserve remain unchanged. Notes of other banks are slightly lower, while cheques on other banks remain much the same. Balances due from other banks dropped from $58,647,590 to $49,749,275.

Investments Are Larger

Dominion and provincial securities held by the bank increased during the year from $89,448,844 to $106,850,615. Municipal securities are about $2,500,000 lower at $24,198,073. Other securities held have advanced from $9,748,496 to $11,970,905.

Call loans in Canada are on about the same basis as a year ago, while those outside the country have declined from $36,400,142 to $32,981,561.

Commercial Loans

In the aggregate, commercial loans are lower by nearly $45,000,000, at $316,119,392. The principal change here is the decline in current Canadian loans, which dropped from $252,380,972 to $216,849,534.

Remaining items of assets show relatively little change from a year ago.

Among liabilities, circulation is about the same. Interest bearing deposits are off about $18,000,000, at $450,463,265, while non-interest bearing deposits are practically the same as the end of November, 1932.

Advances under the Finance Act have been reduced $5,000,000, to $20,000,000. Other items do not show any important changes.

ASSETS	1933	1932
	$	$
Gold & current coin	14,117,860	28,168,913
Dominion notes	48,922,234	38,046,090
U.S. & other curren.	21,713,831	16,012,894
Dep. in cen. gld. res.	3,000,000	3,000,000
Notes of other Can. banks	1,811,091	2,087,242
Cheques on oth. bks.	18,384,823	18,667,993
Bal due. by oth. bks.	49,749,275	58,647,590
Total cash on hand and in banks	157,699,215	164,630,722
Dom. & prov. secur.	106,850,615	89,448,844
Municipal securities	24,198,073	26,750,444
Other securities	11,970,905	9,748,496
Call loans—Canada	28,771,273	28,951,263
Call loans—Elsewh.	32,981,561	36,400,142
Total liquid assets	362,471,645	355,929,915
Commercial loans	316,119,392	360,562,286
Bank premises	17,015,987	17,194,887
Real estate other than bank prems.	2,242,278	2,431,601
Mortgages	883,009	870,947
Letters of credit	22,052,888	20,092,951
Controlled cos.	6,328,639	6,326,569
Deposit—circ. fund	1,500,000	1,600,000
Other assets	464,635	503,760
Total assets	729,260,476	765,512,920
LIABILITIES		
Circulation	29,349,[illegible]	28,733,752
Int. bearing depos.	450,463,265	468,391,153
Non-int. bear. deps.	128,829,694	128,983,165
Bank depos. — Can.	841,499	662,915
Bank deps.—Elsew.	20,313,902	21,056,908
Adv. under Fin. Act	20,000,000	25,000,000
Letters of credit	22,052,880	20,092,951
Capital paid up	35,000,000	35,000,000
Reserve Fund	20,000,000	35,000,000
Profit & loss acent.	1,383,604	1,166,954
Total liabilities	729,260,476	765,512,920

BANK NATIONALE PROFITS IN 1933 ARE MAINTAINED

French Canadian Institution Create Special Reserve of $2,000,000

From Our Own Correspondent

MONTREAL.—Banque Canadienne Nationale's financial statement for the year ended November 30 last reflects a maintenance of earning power, a decrease of only 3.60 per cent in deposits and quick assets totalling 64.59 per cent of all liabilities to the public, compared with 57.12 per cent a year ago.

A feature of the report was the setting aside of a reserve fund of $2,000,000 from the general to the special reserves by the directors as a precautionary measure. This is in addition to "inside" special reserves intended to cover possible shrinkage in the current value of investments or other assets which may not materialize, but which the directors consider may be the part of wisdom to provide for.

Income Covers Charges

In the condensed statement issued by the bank the profit and loss account shows an income during the year of $970,350 compared with $972,075 a year ago. Regular dividends of 10 per cent were paid, as well as Federal taxes, contribution to the Pension Fund, and the payment of $125,000 to the Treasurer of the Province of Quebec. After covering all these charges, the income account shows a surplus of $220,594, which was carried forward.

Comparative income accounts for the past two years follow:

	1932-33	1931-32
	$	$
Balance forward	210,244	205,169
Net profits	970,350	972,075
Total	1,180,594	1,180,169
Distributed as follows:		
Dividends	700,000	700,000
Pension fund	30,000	30,000
Federal Tax	105,000	112,000
P.Q. payment	125,000	125,000
Balance forward	220,594	210,244
Total	1,180,594	1,180,169

Deposits Down Slightly

An analysis of the balance sheet shows deposits of $101,043,604, as against $104,839,058 last year. The decrease in deposits of 3.60 per cent is much smaller than as between 1931 and 1932; as a matter of fact, current deposits increased by half a million dollars.

Total assets of the bank aggregate $126,890,619. Cash assets, including cash on hand, stand at $13,677,540. Quick assets show an increase of over six million dollars, amounting to $73,660,057; this is equivalent to 64.59 per cent of liabilities to the public, against 57.12 per cent a year ago. Current loans stand at $44,603,819, compared with $56,824,768 in 1932. The decrease is accounted for both by reduced business activity and by a lower level of prices which allows a larger volume of trade to be financed with lesser banking facilities. Securities held, including short term notes covering advances to the provincial Government, have increased by over eight and a half million dollars and stand at $44,752,528.

Reasons for Reserves

In a note appended to the financial statement, the directors of the Banque Canadienne Nationale state that "Canada could not hope to be immune from unsatisfactory financial and economic conditions abroad and was bound to feel the effects of the monetary policies of the United States. Such effects were apparent in the course of November last when substantial blocks of the highest grade Canadian securities held in the United States were sold on our market with a resultant lowering of quotations. The directors of the Banque Canadienne Nationale have decided, as a precautionary measure, to transfer a sum of two million dollars from the general to the special reserves. It is common banking practice to hold, in addition to the general disclosed reserve fund, inside special reserves intended to cover possible shrinkage in the current value of investments or other assets. These book entries do not alter the real condition of a bank. The temporary ear-marking of a portion of the general reserve fund for eventualities which may not materialize, but which it may be the part of wisdom to provide for, enables a bank to reinstate its general reserve fund to its former figure, when business conditions become more settled. The Banque Canadienne Nationale could have built up its special reserves in other ways. The bank declined to sell at a profit of some $1,800,000 the fifteen million dollars of province of Quebec bonds which it owns; it did not even consider advisable to take into account the appreciation between the nominal and market value of these securities. The bank could have chosen another line of approach and reduce, as other banks have done, the rate of dividend on its stock, and credit its special reserves with a larger share of its profits. The directors of the bank deemed reasonable the maintenance of a 10 per cent dividend, which amounts to a yield of five per cent on the shareholders' capital; they also considered that they were warranted in drawing upon the reserve fund which was accumulated for the very purposes for which it is now being availed of."

No Selection Yet For McGill Principal

It has been variously reported that the principalship of McGill University, in succession to Sir Arthur Currie has been offered to E. W. Beatty, chairman of the C.P.R., Hon. Vincent Massey, Dr. W. Hamilton Fyfe, principal of Queen's University, and Dr. R. C. Wallace, president of the University of Alberta.

The Financial Post is informed that none of the gentlemen has been offered the post and that in fact the matter has not even been considered by the governors of McGill and may not be for some time.

PRICE SLUGGISH ON SILVER BUYING BY UNITED STATES

Plan May Soothe Agitators; Canada May Take Action Later

64½c TO MINES

Considered Economically Unimportant; May Pile Up Stocks; Chinese Oppose Raising Price

World price of silver has been affected to only a minor degree by announcement from Washington on Dec. 21 that the United States is to adopt free coining of domestically mined silver. The London price was 18 9/16d. an ounce on Dec. 20, the day before the American announcement, and 18 3/16d. on Dec. 23. The announcement was made by Mr. Roosevelt ostensibly as America's contribution to carrying out of the silver agreement signed in London last summer, but also, it is thought, to sooth silver agitators in the U. S. senate and in Congress. The amount of money and metal involved is considered economically unimportant in such a wealthy country.

The arrangement calls for minting of half the American annual domestic silver production. Mines would send all their silver to Washington. Half of it would be returned to them in the form of bright, new silver coins of the present weight and the other half retained by the United States treasury as a mint charge. Because silver has a higher dollar value if legally coined than if in the form of uncoined bullion, this would mean a price of approximately 64½ cents an ounce. At the same time, the United States treasury would acquire half the annual domestic silver production at no cost whatever.

Canada's Position

As far as Canada is concerned, authorities appear to feel that the effects of the American announcement will be nil, for the moment. However, Canada signed the London agreement, and the question of ratification may come before the next parliament. This would require some action to absorb part of the domestic production within this country. It might be bought by the Government, or absorbed in manufacturing and in the arts for domestic consumption.

Canadian mines would, of course, be affected by a rise in the price of silver. But this metal is not one of the four chief mineral products of Canada, either by volume or money. Moreover there appears to be some doubt as to whether the agreement will be effective in raising the price, or whether it will merely result in an eventual further disturbance of the world price and supplies of silver.

May Accumulate in U. S.

According to the most highly esteemed analyses of the circulation of subsidiary coinage, what is likely to happen in the United States is, there being little popular demand for additional silver coinage, the newly minted silver money is likely to pile up in the treasury offices in Washington. This might happen in the following manner: A mine might ship 5,000 ounces of silver to the United States mint. Of this, 2,500 ounces would be minted into $3,225 in silver coins and returned to the mining company. The mining company would then either deposit this in its bank or pay it out in coin form. If it were to deposit it in the bank, the coins would tend eventually to find their way back into the United States treasury to the extent that it would be excess circulation of subsidiary coinage. If it were paid out in coinage for circulation, and still there was no public demand for this extra silver money, it might find its way into other banks and by a circuitous route back to the United States treasury. So the latter would have on its hands half the original bullion and possibly a large portion of the new coins.

That such is not an improbable course of events may be seen from developments during the earlier years of this century. Two and three decades ago it was common for silver dollars to be in free circulation in the United States. As the use of paper money increased, however, these silver dollars began to flow into the United States treasury. Toward the end of the war the mass of silver deposited in the treasury amounted to over $200,000,000. It was from this source that the British Government at one time purchased something like 200,000,000 ounces of silver for shipment to the Orient in payment for war supplies.

Authoritative View

G. F. Knapp, the great German monetary analyst of the early years of this century, pointed out in his "The State Theory of Money" that the "piling up" of unwanted subsidiary coinage in the hands of the issuing authority had occurred in numerous nations in various ages. As long as the common users of coinage and cash prefer paper to metallic currency, there will be difficulty in keeping the newly minted silver out of the hands of the issuing body, according to authorities. If the unwanted type of small money is issued, it is likely merely to flow back to the Government's coffers.

London Agreement

The agreement signed at the monetary and economic conference in London last summer was conditional upon legislation by the signatory governments to implement it. By the announcement on silver, the United States is signifying its intention of doing its part in making the agreement good. A number of other countries, including Canada, have not acted to make the agreement effective. The agreement was to the effect that countries holding large stocks of silver should keep them off the market or should market them in small quantities, and that countries producing silver should absorb a substantial portion of their own domestic production. The present announcement discloses the United States plan for consuming its own production.

While in the United States senatorial agitators have been seeking a higher price for silver, the Chinese do not want it. A Chinese delegate to the World Economic Conference stated that a higher price for silver was not desired in China. A group of merchants of Nanking have recently given the same opinion. The viewpoint of the Chinese is that the price of silver went down with the price of all other kinds of goods. As a result, the relation between the two was little disturbed. If, however, the price of silver were to rise, the Chinese fear that it may lead to a deflation of other prices in China and agricultural depression in that country.

It has also been contended that higher silver prices would not materially improve Oriental purchasing power in world markets. Those who make this contention point out that Oriental countries normally export goods to import silver for hoarding; that they do not ordinarily export silver to buy goods. The latter appears to be the theory of those who advocate higher prices for silver "to restore Oriental purchasing power."

Commercial Alcohol New Stock is Listed

From Our Own Correspondent

MONTREAL. — Notice has been given on the Montreal Curb Market of the withdrawal of the old common shares of Commercial Alcohol and there replacement by 100,000 shares of new common of no par value. A short time ago the shareholders of Commercial Alcohol decided to increase the capital stock and to that end split the common shares on a basis of five new shares for each old share.

New Features In 1934 Model of G. M. Buick

Knee action front wheels and power brakes are features of the new McLaughlin Buick cars announced last week by General Motors of Canada.

Individual suspension of the front wheels is achieved by each wheel being independently carried on an individual, frictionless coil spring. There is no conventional front axle and leaf spring, the former being replaced by a special front cross-member. For leaf springs are substituted coil springs and V-shaped arms.

By use of the power brake the car can be controlled at any speed with only a slight pressure on the foot pedal. The brakes operate by a vacuum mechanism similar to that used successfully by trucks.

Other new features include an Octane selector on the dash which can be adjusted to suit spark timing to eliminate knock with any type of fuel. Improvement in lines and appointments has been carried out, and for night driving an increase of 20 per cent in illumination has been achieved. The high-speed driving beam has a foot-pedal control and the new lights have a four-way beam for city driving; country driving, passing and parking.

British Columbia Wages Increased 8 p.c. in 1933

From Our Own Correspondent

VANCOUVER.—Industrial payrolls for the year in British Columbia are expected to total $110,000,000, based on the returns from 3,500 firms. Last year the total was $102,000,000. There was also a gain in the peak volume of employment.

Quality Engraving—the Essential Safeguard in Monetary Documents

Man cannot live by bread alone

ONE hundred and forty years is a long, long time however you look at it. But it is even longer when you consider that a good many of these years have been lean and hungry; and lean years, such as we have been having, seem never to end.

Having weathered more than one of these storms we know that there is always an end to them; that people do start marching up hill again, seeking the old satisfactions of life; finding anew the things of quality and character that give point and purpose to all their effort.

And going beyond the individual, industry itself cannot live by bread alone. It must have marks of excellence to give direction to its production; fine things to create, to satisfy its own market.

So our course, even in confused times, seems clearly marked. It is simply that we be ourselves, true to our traditions and our craft, striving always to improve both our methods and our product, knowing as we always have known that in the long run man cannot live by bread alone.

CANADIAN BANK NOTE
COMPANY, LIMITED
224 Wellington Street, Ottawa

THE CANADIAN BANK OF COMMERCE

HEAD OFFICE - TORONTO

STATEMENT OF THE RESULT OF THE BUSINESS OF THE BANK FOR THE YEAR ENDING 30th NOVEMBER, 1933

Balance of Profit and Loss Account, brought forward from last year	$ 519,499.76
Profits for the year ending 30th November, full provision having been made for all bad and doubtful debts	3,648,832.35
	$4,168,332.11

These profits have been appropriated as follows:	
Dividend No. 184, at ten per cent. per annum	$ 750,000.00
Dividends Nos. 185, 186, 187, at eight per cent. per annum	1,800,000.00
Dominion and Provincial Government taxes and tax on bank-note circulation	550,000.00
Donations and Subscriptions	30,000.00
Transferred to Pension Fund	226,164.82
Written off Bank Premises	150,000.00
Balance carried forward	662,167.29
	$4,168,332.11

GENERAL STATEMENT
30th NOVEMBER, 1933

LIABILITIES

Notes of the Bank in circulation		$ 23,444,805.71
Deposits not bearing interest	$ 94,682,969.46	
Deposits bearing interest, including interest accrued to date	352,324,242.48	
Balances due to other Banks in Canada	1,469,606.56	
Balances due to Banks and Banking Correspondents elsewhere	22,998,640.88	
		471,475,459.38
Advances under the Finance Act		15,000,000.00
Bills Payable		51,510.90
Letters of Credit outstanding		12,952,124.99
		$522,923,900.98
Dividends Unpaid	$ 9,934.85	
Dividend No. 187, payable 1st December	600,000.00	
Capital Paid up	30,000,000.00	
Reserve Fund	20,000,000.00	
Balance of Profits as per Profit and Loss Account	662,167.29	
		51,272,102.14
		$574,196,003.12

ASSETS

Gold and Silver Coin Current on hand	$ 16,778,500.38	
Dominion Notes on hand	37,087,099.25	
Notes of other Banks	1,033,530.00	
United States and other Foreign Currencies	4,978,411.42	
		59,877,541.05
Cheques on other Banks	$ 16,463,561.90	
Balances due by other Banks in Canada	15,455.92	
Balances due by Banks and Banking Correspondents elsewhere	15,379,866.08	
		31,858,883.90
Dominion and Provincial Government Securities, not exceeding market value		101,913,935.95
Canadian Municipal Securities and British, Foreign and Colonial Public Securities, not exceeding market value		39,266,779.05
Railway and other Bonds, Debentures and Stocks, not exceeding market value		12,172,659.02
Call and Short Loans (not exceeding 30 days) in Canada on Stocks, Debentures, Bonds and other Securities of a sufficient marketable value to cover		29,413,586.04
Call and Short Loans (not exceeding 30 days) elsewhere than in Canada on Stocks, Debentures, Bonds and other Securities of a sufficient marketable value to cover		30,409,249.65
Deposit with the Minister of Finance for the purposes of the Circulation Fund		1,250,000.00
		$306,162,634.66
Other Current Loans and Discounts in Canada (less rebate of interest) after making full provision for all bad and doubtful debts		211,631,665.85
Other Current Loans and Discounts elsewhere than in Canada (less rebate of interest) after making full provision for all bad and doubtful debts		16,628,652.53
Liabilities of Customers under Letters of Credit, as per contra		12,952,124.99
Non-current Loans (estimated loss provided for)		2,376,657.76
Mortgages on Real Estate sold by the Bank		2,545,203.75
Real Estate other than Bank Premises		2,533,550.35
Bank Premises at not more than cost, less amounts written off		14,871,771.84
Shares of and loans to controlled companies		4,017,123.85
Other Assets not included in the foregoing		476,617.54
		$574,196,003.12

JOHN AIRD, President
S. H. LOGAN, General Manager

AUDITORS' REPORT TO THE SHAREHOLDERS

We have examined the above statement of assets and liabilities as at November 30th, 1933, and compared it with the books at the Head Office and with the certified returns from the branches. We have checked the cash and examined the securities and investments of the Bank at the chief office in Toronto and at several of the principal branches as at the close of business on November 30th, 1933.

We have obtained all the information and explanations that we required, and are of the opinion that the transactions of the Bank which have come under our notice have been within the powers of the Bank, and we report that, in our opinion, the above statement discloses the true condition of the Bank and is as shown by the books of the Bank.

A. B. SHEPHERD, C.A., of Peat, Marwick, Mitchell & Co.
C. S. SCOTT, F.C.A., of C. S. Scott & Co.
Auditors

Toronto, 21st December, 1933.

A. J. Pattison, Jr. & Co. LIMITED
(Established in 1907)
Unlisted Bonds and Stocks
3rd Floor, Royal Bank • Toronto, Can.

WEEK'S CANADIAN STOCK AND BOND QUOTATIONS

January Dividend Total Is Higher at $14,416,000

Compares With $13,850,000 Paid in January, 1933—Five Companies Resume Payments; Two Increase Rate—Biltmore Hats Pays Initial Dividend

The record of dividend disbursements in 1934 starts auspiciously with a total of $14,416,000 scheduled for payment in January as compared with $13,850,000 paid in the same month of 1933. The amount to be paid is well under the $20,400,000 paid in January, 1932, but indicates that the increase registered in November was not an isolated case of improvement. Increase in the January total over that of a year ago is made possible by resumption of dividends by five companies, payment of an initial dividend by one and an increase in dividend rate in the case of two companies. Three companies have reduced dividends, two have passed dividends and directors of Dome Mines have deferred dividend action until January 3.

Biltmore Hats Ltd. pays the initial dividend on its common shares on Jan. 15. The five companies to resume dividend payments include two brewing companies, Associated Breweries which will pay 25 cents per share on January 2 last paid a dividend in December, 1932, Brewers & Distillers of Vancouver will pay 10 cents per share, the first payment since July, 1929, Canadian Cottons will pay $1 per share on common stock the last payment having been made in January, 1930. Canadian Wirebound Box resumes common dividends, the first since October, 1932, and Bruck Silk Mills will pay for the first time since May, 1930.

Two Increase Rate

Goodyear Tire & Rubber Co. has increased the annual dividend rate on its common stock from $2.40 to $4 per year while Howe Sound Co. will pay 75 cents per share on December 30 in contrast to the 25 cents paid October 15 and the 10 cents paid in July last. Dividend rate has been reduced by Canada Permanent Mortgage Corp. to $8 per year from $10 and Midland Loan & Savings will pay a semi-annual dividend of 4 per cent in place of the previous 4½ per cent. British Columbia Power Corp. has reduced the annual dividend rate on class A shares from $2 to $1.50.

Canadian Car & Foundry Co. has passed the preferred dividend normally due January 2 and Canada Bud Breweries will not pay a dividend in January. Dome Mines usually pays a dividend in January but, lacking a quorum, directors have deferred dividend action until January 3 at which time it is anticipated that a bonus will also be declared.

Companies that have declared dividends payable during January are as follows:

Summary of Payments

Dividends	$14,416,545
Bond interest	36,201,907
Total	$50,618,492

Dividend Payments

Company	Rate	Date	Amount
Agnew Surpass, pfd.	1¾q	2	17,085
Ajax Oil	2c q	15	19,756
Alta. Wood Pres., pfd.	$1.75q	2	5,862
Assoc. Breweries	25c	2	56,150
Do., pref.	$1.75q	2	19,996
Bk. of Nova Scotia	$3q	2	360,000
Beatty Bros., 2nd pfd.	$3.50s	2	23,436
Beaver Fire	$2.50	2	7,512
Bell Telephone	$1.50q	15	1,155,115
Biltmore Hats, c.	50c	15	10,000
Brantford Cordage, p.	2q	15	30,046
Brazilian Traction, p.	1½q	2	5,901
Brewers & Distill.	10c	15	577,747
Brit. Amer. Oil (15)	20c q	2	524,528
B. C. Elec. Pr. & Gas, p.	1½q	2	75,000
B. C. Power (A)	37c q	15	370,000
Bruck Silk Mills	25c	15	25,000
Building Prod. "A" & "B"	25c q	2	30,212
Burt, F. N.	50c q	2	53,772
Do., pref.	1¾q	2	1,074
Canada Life	5q	2	50,000
Calgary Power, c.	$1.50q	2	52,500
Canada Dry	25c q	16	128,132
Can. Northern Pr.	20c q	25	80,000
Do., extra	10c	25	40,000
Do., pref.	1¾q	15	96,250
Can. Perm. Mtge.	2q	2	140,000
Canada Trust	5s	2	50,000
Canada Packers, pref.	$1.75q	2	150,585
Do., arrears	$1.75	2	150,585
Can. Canners, 1st pfd.	1½q	2	58,272
Do., 2nd pref.	5c q	2	18,186
Do., extra	10c	2	36,372
Can. Cottons	$1q	4	27,155
Do., pref.	$1.50q	4	54,922
Can. Fairbanks, pfd.	1½q	15	20,400
Can. For. Invest., pfd.	2q	2	34,824
D., com.	25c s	2	18,354
Can. Gen. Elec.	75c q	1	141,634
Do., pref.	87½c q	1	149,760
Can. Industries	87½c q	31	586,574
Do., extra	87½c	31	586,574
Do., pref.	1¾q	15	81,375
Can. Light & Pr.	50c s	15	16,624
Canadian Oil, pref.	2q	1	40,000
Can. Wire, Box	37½c	2	26,458
Central Can. Loan	2q	2	50,000
Coniagas Mines	*12½c	10	96,415
Cons. Smelters	$1.50	15	888,075
Consumers' Gas	2½q	2	351,380
Crown Life	6a	2	13,776
Crown Trust	1¾q	2	17,500
Dominion Fire	3s	2	8,997
Do., bonus	1	2	2,999
Dominion Bank	2½q	2	175,000
Dominion Glass	1¾q	2	53,125
Do., pref.	1¾q	2	45,500
Dom. Rubber, pref.	1¾q	†	52,500
Dominion Stores	30c q	2	84,714
Dom. Textile	$1q	2	270,000
Do., pref.	$1.75q	15	33,960
East. Steel Prod., pref.	1¾q	1	6,874
East. Theatres, pref.	3½s	31	17,500
East. Twp. Tele., com.	18c q	15	1,899
Fanny Farmer	25c q	‡	24,650
Do., pref.	60c q	†	9,225
Freiman, A. J., pfd.	$1.50q	2	13,920
General Trust, pfd.	1.50q	2	16,500
Goderich Elev.	*25c	2	21,001
Goodyear Tire	$1q	2	128,630
Do., pref.	$1.75q	2	127,064
Great West Life	5q	2	50,000
Gurd, Chas., pref.	1¾q	2	4,550
Highland Dairy, p. (16)	1¾q	2	3,263
Howe Sound	75c q	†	355,342
Hunt's, "A" & "B"	12½c q	2	4,207
Huron & Erie Mtge.	$1.50q	2	75,000
Intercol. Coal	50c s	2	5,000
Do., pref.	$4s	2	8,216
Inter. Hydro Elec., p.	87½c q	15	126,699
Invest. Foundation, p.	38c q	15	12,683
Do., on arrears	12c	15	4,005
Jamaica Pub. Ser.	25c q	2	11,250
Do., pref.	1¾q	2	17,500
Landed Bkg. & Loan	1½q	2	15,000
McColl-Fron., pref.	1½q	15	116,262
Mercury Oils	4c	2	128,526
Midland Loan	40c s	2	14,400
Mitchell, J. S., pfd.	1¾q	2	5,635
Model Oils	3c	20	24,615
Montreal L. H. & Pr.	38c q	31	1,705,791
Montreal C. & D. Bank	3+1	2	80,000
Montreal Finance, pfd.	1.50s	10	15,000
Montreal Tramways	$2.25q	15	157,500
Moore Corp. "A" & "B"	$1.75q	2	86,898
Nat. Breweries	40c q	2	288,548
Do., pref.	1¾q	2	48,562
Nat. Grocers, pref.	‡$2.61	1	77,078
National Trust	$2q	2	60,000
Niag. Wire Weav., p.	†75c	6	15,543
Nor. Ont. Power	50c q	25	120,007
Do., pref.	$1.50q	25	37,479
Ogilvie Flour, c.	$2q	2	150,000
Ontario Loan & Deb.	3q	2	60,000
Ottawa L. H. & Pr.	1½q	1	52,500
Do., pref.	1⅝q	1	24,375
Page-Hersey Tubes	75c q	2	130,692
Do., pref.	$1.75q	2	319
Pioneer Gold (B.C.)	15c q	2	262,762
Porto Rico Pr. pfd.	1¾q	2	17,500
Power Corp., pref.	1½q	15	75,000
Do., non-cum. pfd.	75c q	15	75,000
Premier Gold	3c q	15	150,000
Provincial Paper, pfd.	1¾q	2	61,250
Real Estate Loan	$2.50s	2	12,500
Riverside Silk "A"	25c q	2	7,500
Silverwoods, pref.	1q	2	31,328
South. Can. Pr., pref.	1½q	15	106,333
Standard Fuel, pfd.	1⅝q	1	22,465
Supertest Pete., com. & ord.	25c q	2	27,500
Do., pref. "A"	$1.75q	2	5,845
Do., pref. "B"	37½c q	2	3,000
Tamblyn, pref.	1¾q	2	8,852
Thrift Stores	10c q	2	2,000
Do., pref.	1⅝q	2	5,568
Tip Top Tailors, pfd.	1¾q	2	23,346
Thayers, pref.	$1.75q	2	16,970
Toronto Elevators, pfd.	1¾q	15	26,250
Toronto Gen. Trusts	1½q	2	45,000
Toronto Mortgage	$1.50q	1	29,595
Tuckett Tobacco, pfd.	1¾q	15	35,000
United Securities	50c q	15	25,630
Weston, G., com.	25c	2	12,500
West Koot. Pr., pfd.	1¾q	2	8,750
Western Grocers, pfd.	1¾q	15	20,899
Whittall Can., pfd.	1⅝q	2	30,875
Wright-Hargreaves	5+5c	2	550,000
			14,416,545

* Interim. † Payable Dec. 30. ‡ On account of arrears.
q—Quarterly.
s—Semi-annually.
a—Annually.

BOND INTEREST DUE IN JANUARY

Company	Rate	Date	Due	Amount
Acadia Sugar	7	1	1946	22,340
Do.	6	1	1946	63,840
Aldred Invest. "A"	4½	2	1968	51,086
Avalon Tele. "A"	5½	1	1948	20,405
Avon River Pr. "A"	5½	1	1956	17,847
Do., "B"	5½	1	1957	5,318
Do., "C"	5½	1	1958	2,636
Beauhar. Elec. "A"	6	2	1958	43,500
Canada Iron	6	1	1939	12,900
Can. Canners	6	2	1950	70,236
Can. Cottons	5	2	1940	71,277
Can. Int. Pap.	6	1	1949	712,500
Can. Light & Pr.	5	1	1949	74,787
Can. Nat. Rly. Gold	5	1	1969	1,500,000
Do.	4½	1	1957	1,462,500
Can. Nor. Alta.	3½	20	1960	55,122
Can. Nor. Ont.	3½	20	1961	599,022
Can. Nor. 1st mtge	3½	20	1958	138,188
Do., S. F. Gold	6½	1	1946	787,735
Do., Wpg. Term.	4	1	1939	60,000
Can. Pac. Rlys.	4½	1	1960	562,500
Do., Eq. Trust	5	1	1944	750,000
Cedars Rapids	5	1	1953	346,000
Chat. St. L. Apts.	6½	1	1940	21,391
Cities Heating	6	1	1948	5,100
Dom. Heating	5	1	1947	200,000
Dom. Tar & Chem. "A" & "B"	6	2	1949	158,400
Getty & Scott	7	2	1940	6,387
Harris Abattoir "A"	6	1	1947	97,377
Inter City Bak. "A"	5½	1	1948	42,462
Jam. Pub. Ser. "B"	5	1	1950	49,250
La Patrie Pub.	6½	1	1943	13,500
London Cold Stor.	6	1	1938	1,038
Maritime Tele	6	1	1941	45,000
Do., refund. "A"	5	1	1956	25,000
Metropol. Bldg.	7	15	1944	29,680
Do. Series "B"	7	15	1941	13,370
Montreal Apts.	5½	1	1948	108,350
Mont. Trams "A"	5	1	1941	533,775
Moodie, J. R., "A"	6	1	1948	20,340
Nfld. L. & Pr. "A"	6½	1	1949	42,753
Do., mtge. debs.	7	1	1949	16,800
Do., 1st mtge. "B"	5½	1	1971	22,000
North. Ont. L. & P.	6	1	1953	15,450
North. Ont. Pwr.	6	1	1953	105,000
Ont. Steel Prod.	6	1	1943	6,054
Ottawa Gas	5	1	1934	3,750
Ont. Traction "A"	5½	1	1955	73,768
Reliance Grain "A"	6	2	1948	54,750
Rio Janeiro 1st mtg.	5	1	1935	625,000
Royal Ex. Bldg.	6	2	1948	13,509
Do.	7	2	1938	3,500
Ruddy, E. L.	6½	1	1948	22,181
Saguenay Elec.	5½	1	1953	36,465
Shaw. Falls Term.	5	1	1957	2,740
Sher. Rly. 1st mtge.	5	1	1940	14,475
Simpsons Ltd. "A"	6	2	1949	280,971
Do., "B"	5½	2	1949	32,941
Simpson, Robt.	5	1	1952	35,950
Steel of Canada	6	1	1940	122,958
Sterling Coal	6	1	1940	21,285
St. Jas. Ct. Apts.	6½	30	Serial	6,027
St. Law. Flour	6	1	1941	2,160
200 St. Clair	7	1	1945	5,383
Un. Gas & Fuel	5½	1	1948	48,317
Un. Grain "A"	5	2	1948	79,437
Vancouver Pr. deb.	4½	2	Perp.	154,593
Viau Biscuit	6½	1	1946	10,962
West. Can. Hyd. El.	6	1	1950	30,000
Do., conv. debs.	6½	1	1945	11,375
Western Grain	6	2	1949	83,685
Western Power	5	1	1949	108,265
Windsor Hotel	6½	1	1943	68,074
Corporation bonds				10,960,737
Municipal bonds				6,247,446
Provincial bonds				7,192,944
Dominion				11,800,820
Total				36,201,947

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WEEK ENDING DECEMBER 25

Range 1933 High Low | Divd. Rate | Yield in % Dec. 22 | Sales | Close Dec. 18 (or last) | Week Ending Dec. 25— High Low Close

x Quotations for 1932. No sales recorded in 1933 to date.
† Quotations for 1931.
‡ Quotations for 1930.
b New York Quotations.
* Plus final dividend of 17½c. paid Mar. 31.
* See "Unlisted Stocks" also.
* On account of arrears.
* Plus extra of 37½c. payable Jan. 31.

Active Unlisted Bonds

(Furnished by A. J. Pattison, Jr. & Co., Limited)
December 26, 1933

Industrial Bonds:	Bid December 26	Asked December 26	Bid Dec. 19
Abitibi P. & P. 5% 1953	16.00	18.00	18.50
Acadia Sugar 6% 1946	94.00	96.00	94.00
Alta. Pacific Grain 6% 1946	68.00	71.00	68.50
American Sales Book 6% 1939	98.00	....	97.00
Arnold Bros. 6% 1947	71.00	73.00	....
Border Cities Hotel 7½% 1941	8.50	....	....
B. A. Oil 5% 1945	99.00	101.00	99.00
B. C. Pulp & Paper 6% 1950	47.00	50.00	45.00
Canada Biscuit 6½% 1946	15.00	18.00	13.00
Can. Bread 6% 1941	90.00	93.00	91.50
Can. Cement 5½% 1947	79.00	81.00	78.00
Canada Crushed Stone 6½% 1944	63.00	67.00	....
Can. Steamship 6% 1941	15.00	16.00	14.00
Can. Bakeries 6½% 1945	58.00	61.00	....
Can. Canners 6% 1950	95.00	98.00	96.00
Can. Consolidated Rubber 6% 1946	70.00	72.00	....
Can. Copper Refin. 6% 1945	104.50	105.50	104.00
Can. Theatre 6½% 1941	30.00	....	....
Can. Vickers 6% 1947	51.00	54.00	49.00
Consolidated Press 6½% 1949	75.00	78.00	....
Cosmos Imp. Mills 6½% 1944	87.00	....	....
Davies, Wm. 6% 1942	97.50	98.50	97.25
Debenture & Sec. 4% 1936	67.00	....	67.00
Dom. Canners 6% 1941	101.00	103.00	....
Dom. Steel & Coal 6% 1939	12.00	....	....
Dom. Tar & Chemical 6% 1949	60.00	63.00	62.00
Dom. Telegraph 5½% 1978 A	80.00	85.00	80.00
Eastern Car 6% 1952	64.00	66.00	....
Eaton Realty 5% 1949	88.00	90.00	88.00
Famous Players 6% 1948	75.00	77.00	76.25
Famous Players 6½% 1948	57.00	58.00	....
Firestone Tire 7% 1937	104.00	106.00	104.50
Goodyear Cotton 6% 1949	103.00	104.00	103.00
Great Lakes 6% 1950	20.00	22.00	20.00
Harris Abattoir 6% 1947	101.00	103.00	101.00
Howard Smith 5½% 1953	71.50	73.00	....
Loew's Toronto 6% Serial	98.00	....	97.00
Massey-Harris 5% 1947	61.50	63.50	61.00
McColl-Frontenac 6% 1949	95.00	97.00	95.50
McKinnon Industries 6½% 1945	96.00	....	92.00
Mercury Mills 5½% 1953	54.00	....	53.50
Metropolitan Bldg. 7% 1944	88.00	....	84.00
Northern Ont. Bldg. 6½% 1939	71.00	73.00	71.00
Nova Scotia Steel 5% 1959	19.00	21.00	....
Penmans Limited 5½% 1951	99.00	....	....
Rolland Paper 5½% 1948	86.00	....	....
Simpsons Ltd. 5½% 1949	71.00	72.00	72.00
Simpsons Ltd. 6% 1949	76.50	78.00	76.00
Standard Clay Prod. 6% 1942	55.00	....	....
Steel of Canada 6% 1940	104.00	106.00	104.50
Sterling Coal 6% 1940	42.00	45.00	....
Toronto Carpet 6% 1944	90.00	....	90.00
United Gas & Fuel 5½% 1948	63.00	66.00	63.00
United Grain Growers 5% 1948	73.00	76.00	73.00
Western Grain 6% 1949	42.00	48.00	42.00
Public Utility Bonds:			
Bell Telephone 5% 1955	101.00	103.00	101.50
Bell Telephone 5% 1957	101.00	102.00	....
B. C. Power 5½% 1960	90.00	91.00	90.00
Calgary Power 5% 1960	86.00	87.00	86.00
Cedar Rapids 5% 1953	104.00	105.00	....
Duke-Price Pwr. 6% 1966	73.00	75.00	73.00
Gatineau Pwr. 5% 1956	76.00	78.00	77.00
Gatineau Pwr. 6% 1941 Apr. 1	67.00	68.50	67.25
Manitoba Power 5½% 1951	33.00	35.00	32.00
Montreal Isl. Power 5½% 1957	96.50	98.00	....
Montreal LH&P 5% 1951	104.50	105.00	....
Montreal LH&P 5% 1970	104.00	106.00	103.00
Montreal Tram. 5% 1941 July	95.50	97.00	95.00
Montreal Tram 5% 1955	72.00	73.00	....
Ottawa Valley Pwr. 5½% 1970	99.50	101.00	99.50
Quebec Power 5% 1968	89.00	91.00	88.50
Shawinigan W. & P. 4½% 1970	72.50	74.00	....
Shawinigan W. & P. 5% 1970	79.00	81.00	80.50
Southern Can. Pwr. 5% 1955	98.00	99.00	98.00
Toronto Harbor Comm. 4½% 1953	98.00	99.00	....
United Securities 5½% 1952	72.50	73.50	....
Western Power 5% 1949	96.50	97.50	....
Government, Provincial & Railway:			
C. N. R. 4½% 1957 Dom. Gtd.	98.00	99.00	97.50
C. N. R. 5% 1969 Dom. Gtd.	104.75	105.25	104.75
C. P. R. 5% 1954	78.50	80.00	....
G. T. P. 3% 1962 Dom. Gtd.	83.75	85.00	83.50
G. T. P. 4% 1962 Dom. Gtd.	95.75	96.50	95.25
Ont. Hydro 4% 1957 Ont. Gtd.	92.50	93.50	92.00
Ont. Hydro 4½% 1970 Ont. Gtd.	98.75	99.50	....
Ont. Hydro 5% 1939 Ont. Gtd.	100.25	101.00	....
Porto Rico Ry. 5% 1936	73.00	....	....
Prov. of Alta. 4½% 1946	84.00	86.00	....
Prov. of N. S. 5% 1959	100.00	102.00	....
Prov. of Ont. 5% 1959	104.50	105.50	....
Prov. of Ont. 4½% 1944	100.50	101.00	....
Prov. of Ont. 5% 1948	102.00	103.00	100.50
Prov. of Ont. 6% 1936	102.00	103.00	102.00
Prov. of Sask. 5½% 1946	88.00	90.00	....

Unlisted Canadian Stocks

(Furnished by A. J. Pattison, Jr. & Co., Limited)
Investment Bankers, Toronto.
December 26, 1933

Industrial Stocks:	Bid	Asked
Acadia Sugar c.	1.55	....
Acadia Sugar pfd.	4.05	4.50
Allens College pfd.	35.00	....
Allens London pfd.	35.00	....
Andian National Corp.	30.00	32.00
Canada & Dom. Sugar	36.00	38.00
Canada Machinery, com.	3.25	5.00
Canada Machinery, pfd.	18.50	....
Can. Packers c.	36.00	37.50
Can. Packers, pf.	97.00	101.00
Canada Tea pfd.	45.00	55.00
Canada Wire & Cable pfd. WW	60.00	66.00
Can. Industries com. A	119.00	....
Can. Industries com. B	117.00	121.00
Can. Industries 7% pfd.	125.00	128.00
Can. Westinghouse	42.50	44.50
Chase, A. W. Units	16.50	20.00
Dom. Foundries & Steel c.	4.00	5.50
Dom. Foundries & Steel pfd.	39.00	44.00
Dom. Manufacturers pfd.	....	60.00
Dunlop Tire 7% pfd.	60.50	65.00
Eastern Car 6% pfd.	....	30.00
Goderich Elevator & Transit	6.00	7.00
Greening Wire 7% pfd.	50.00	....
Guardian Realty pfd.	15.00	....
Inter City Baking com.	16.00	18.00
Inter. Proprietaries A	30.50	31.50
Loew's London c.	.25	.75
Loew's London 7% pfd.	3.25	4.25
Massey-Harris pfd.	12.50	13.50
Mount Royal Hotel pfd.	2.35	3.25
National Grocers pfd.	90.00	91.00
Provincial Paper 7% pfd.	70.00	75.00
Rolland Paper pfd. W.W.	44.00	48.00
Standard Clay Products c.	....	15.00
Standard Fuel pfd. bonus	66.00	70.00
Supertest Petroleum B pfd.	19.00	21.00
Toronto Carpet 8% pfd.	30.00	....
Toronto Elevators 7% pfd.	87.00	89.50
Western Grain pfd.	6.25	12.00
Insurance Stocks:		
Br. Amer. Assce.	23.50	....
Can. Life Assce.	400.00	420.00
Canadian Fire Ins.	55.50	60.00
Capital Life 20% pd.	6.00	10.00
Confederation Life 20% pd.	121.00	126.00
Continental Life 20% pd.	35.50	....
Crown Life Ins.	95.00	110.00

Ind. Stocks cont'd	Bid	Asked
Dom. Fire Ins.	85.50	....
Dom. of Can. Gen. Ins.	102.00	110.00
Dominion Life 50% pd.	155.00	....
Excelsior Life 30% pd.	70.00	....
Federal Fire 25% pd.	35.00	....
Fidelity Ins. Co.	46.00	....
Great West Life Assce.	310.00	335.00
Guar. Co. of N. A. fully paid	200.00	225.00
Imperial Life Assce.	265.00	280.00
Mfrs. Life Ins.	210.00	220.00
Monarch Life 10% pd.	17.50	20.00
National Life 25% pd.	51.00	62.00
Saskatchewan Life 10% pd.	7.00	11.50
Sovereign Life 25% pd.	18.00	24.00
Sun Life Assur.	400.00	415.00
Western Assur. c.	14.00	18.00
Western Life 20% pd.	9.00	11.50
Trust & Loan Stocks:		
Br. Mtg. & Trust	120.00	135.00
Chartered Trust	55.00	60.00
Debenture & Sec. com.	2.25	....
Debenture & Sec. pfd.	11.50	....
Guelph & Ont. Inv. par $50	44.00	50.00
Lambton Loan & Savings	40.00	45.00
London & Western Trust	....	45.50
Midland Loan & Savings	17.00	19.00
Mortgage Discount pfd.	1.25	1.50
Mutual Finance pfd.	....	2.25
Premier Trust	78.00	....
Security Loan & Savings	90.50	....
Sherbrooke Trust	100.00	110.00
Sterling Trust	....	45.00
Traders Finance c.	.50	....
Traders Finance pfd.	34.00	....
Victoria Trust & Savings	130.00	139.00
Waterloo Trust & Savings	90.00	....
Power Issues:		
B.C. Elect. Pwr. & Gas pfd.	97.50	99.00
Calgary Power 6% pfd.	76.00	79.00
Can. Light & Pwr. com.	16.50	20.00
Can. West. Nat. Gas LH&P com.	20.00	....
Can. West. Nat. Gas LH&P pfd.	76.00	80.00
Great Lakes Pwr. pfd.	....	45.00
Nova Scotia L&P 6% pfd.	72.00	75.00

Recent London Quotations:

Brewers & Distillers	9s.
Can. & For. Secs.	4s. 6d.
Can. West. Lumber	1s. 7½d.
Hudson's Bay	21s. 3d
Do., 5% pref.	83s. 9d.
Internat. Holdings	$1¼
Nfld. Pr. & Pap. deb. stock B 5½%	96½
Tor. Sub'an 4½% deb. stk.	25

Winnipeg Stock Exchange

(Transactions for week to December 22)

Div. Rate 1933	Yield in %		Sales	High for week	Low for week	Close Dec. 25
..	..	Central Manitoba	100	.12	.12	.12
..	..	God's Lake	100	.76	.76	.76
..	..	Island Lake	1,000	.06	.06	.06
..	..	Pelissiers, com.	4	.50	.50	.50
..	..	San Antonio	800	1.65	1.64	1.64
..	..	Smelters Gold	300	.23½	.23½	.23½
..	..	Stadacona	100	.09	.09	0.9
..	..	United Oil	100	.05	.05	.05

Stocks Not Traded in During Week*

	Bid	Ask
Beaver Lumb. pref.	..	65
Beaver Lumber c.	..	4
Can. Fire Ins.	55	..
City Dairy 8% pf.	..	35
Cres. Creamery pf.	10½	..
Gt. West Life	315	..
Home Investment	20	..
Monarch Life 10% pd.	17	..
Nor. Mtg. part pd.	..	5
Pelissiers, pref.	25	..
Northern Trust	..	16
Reliance Grain pfd.	..	45
Sovereign Life	10	15
Traders Bldg. Assn.	65	..
Can. Amer. Tr. shs.	..	2.00
Can. Invest. Fund.	..	3.25
Fundamental Ser. A	..	4½
Fundamental Ser. B	..	3¾
Group Income Shs.	..	4.10

*Stocks more active on other exchanges not included.

Unlisted Mining Stocks

December 26, 1933

	Bid	Ask
Algoma M. & Fin.	.10	.15
Alschbach Gold	.02½	...
Arntfield Gold	.70	.85
Arntfield Synd.	.65	.75
Astoria Rouyn	.02	.03½
Bathurst	.01	.03
Beattie	1.07	1.14
Bidgood	.01	.02
Buff. Ankerite	1.20	1.28
Buff. Rouyn	.02	.04
Bussieres Min.	...	.40
Can. Radium	.06	.10
Canusa Mining	.03½	.05
Cent. Kirk Un.	9.00	11.00
Cochenour-Wil. Units	15.00	20.00
Continental Gas	...	.10
Continental Gold Units	...	125.00
Continental Kirk.	...	.06
Crown Reserve	.01	.02½
Delta Units	35.00	55.00
Dorval Siscoe Units	...	15.00
Dunkin	...	.03
Dunlop Cons.	.01	.02
Eagle Oil	1.20	1.30
Echo Bay Explor.	...	.35
Edgecreek Un.	10.00	16.00
Flintoba	.00½	.01½
Galatea Units	15.00	25.00
Glenora Gold	.25	.35
God's Lake	.73	.77
Goldside Units	24.00	30.00
Gr. Bear Lake	.35	.40
Greene Stabell	...	.53
Gregg Oil Un.	1900.00	..
Gunnar Gold	.50	.55
Herbin Lake Un.	10.00	16.00
Horseshoe	.07	.11
Iroquois Kirk.	.17	.19
Island Lake	.06	.09
Kenty Gold	1.00	1.10
Kirk. Gold	.10	.15
Lake Geneva	.10	.16
Lamaque Gold	...	1.25
Little Long Lac	1.13	1.15
McCarthy Webb.	.07½	.09½
MacKenzie Red Lake	.42	.47
McL. Cockshutt.	.17	.21
Makwa Cham.	.25	.28
Man. & Eastern.	.04	.05
Maple Leaf M.	.33	.35
Matachewan Can.	.08½	.10
Mecca Gold	.20	.23
Metals Develop.	.01	.03
Minefinders	1.00	..
Minrand Gold	...	.30
Montreal-Alb. Petroleum	.38	..
N.A.M.E. Units	4.50	6.00
Normetal Min.	.40	.60
Northl'd Pros.	...	500.00
O'Connell Gold	.20	.25
Oro Grande Dev.	.45	.60
Peninsular Pet.	.00½	.01
Pontiac Rouyn	.43	.46
Que. Eureka Un.	12.00	17.00
Quebec Pros.	2.50	..
Quetario Pros.	...	2.00
Rubec Mines	.01	.02
Silverore Un.	10.00	12.00
Silveradium Un.	50.00	75.00
Silver Valley	.14	.18
Smelter Gold	.22	.23
Sourdough Un.	5.00	10.00
South Tiblemont Units	30.00	40.00
Sun Bear	.15	.22
Sunorca Explor.	1.00	1.15
Swayze Contact	.14	.18
Tiblemont Island	.11½	.13
Tom Montgomery Un.	...	150.00
Trusted Inv. Syn. Units	16.50	18.50
Tyrrell Tp. McN.	...	40.00
West McWatters Units	...	15.00
Young Davidson.	.17	.19

The above table is made up from quotation sheets of several brokers. The Financial Post does not guarantee the quotations but can supply any subscriber with the name of the broker from whose sheet any particular quotation was taken.

Dividends Declared

	Present Annual rate	Amt. this payment	Date payable	Date of record
Agnew Surpass, pref.	7%	1¾%	Jan. 2	Dec. 15
Assoc. Breweries	...	25c	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 2	Dec. 15
Ajax Oil	8c	2c	Jan. 15	Dec. 30
Beaver Fire	...	$2.50	Jan. 2	Dec. 15
Biltmore Hats, com.	...	50c	Jan. 15	Dec. 30
B.C. Elec. Pr. & Gas pfd.	6%	1½%	Jan. 2	Dec. 20
Building Prod. "A" & "B"	$1	25c	Jan. 2	Dec. 20
Burt, F. N.	$2	50c	Jan. 2	Dec. 15
Do., pref.	7%	1¾%	Jan. 2	Dec. 15
Brantford Cordage, pfd.	8%	2%	Jan. 15	Dec. 20
Beatty Bros., pref.	6%	1½%	Feb. 1	Jan. 15
Beatty Bros., 2nd pfd.	$7	$3.50	Jan. 2	......
Brewers & Dist., c.	...	10c	Jan. 15	Dec. 30
B. C. Power, A	$1.50	37c	Jan. 15	Dec. 31
Brazilian Tr., pref.	6%	1½%	Jan. 2	Dec. 15
Bank of Nova Scotia	$12	$3	Jan. 2	Dec. 16
Brit. Amer. Oil (No. 15)	80c	20c	Jan. 2	Dec. 16
Belding Corticelli, c.	$4	$1	Feb. 1	Jan. 15
Bell Telephone	$6	$1.50	Jan. 15	Dec. 22
Bruck Silk Mills	...	25c	Jan. 15	Dec. 15
Calgary Power, c.	$6	$1.50	Jan. 2	Dec. 15
Can. Canners, 1st pfd.	$6	$1.50	Jan. 2	Dec. 15
Do., 2nd pref.	20c	5c	Jan. 2	Dec. 15
Do., extra	...	10c	Jan. 2	Dec. 2
Canada Trust	10%	5%	Jan. 2	Dec. 15
Can. Celanese, pref.	$7	$1.75	Dec. 30	Dec. 16
Do., on arrears	...	$1.50	Dec. 30	Dec. 16
Canadian Oil, pref.	$8	$2	Jan. 1	Dec. 20
Canada Northern Pr. c.	80c	20c	Jan. 25	Dec. 30
Do., extra	...	10c	Jan. 25	Dec. 30
Do., pref.	$7	$1.75	Jan. 15	Dec. 30
Can. Perm. Mortgage	$8	$2	Jan. 2	Dec. 15
Can. For. Invest., pfd.	8%	2%	Jan. 2	Dec. 15
Do., com.	50c	25c	Jan. 2	Dec. 15
Central Can. Loan	8%	2%	Jan. 2	Dec. 15
Consumers' Gas	$10	$2.50	Jan. 2	Dec. 15
Can. Gen. Electric	$3	75c	Jan. 1	Dec. 15
Do., pref.	$3.50	87½c	Jan. 1	Dec. 15
Cons. Mining & Smelting	$6	$1.50	Jan. 15	Dec. 30
Crown Trust	7%	1¾%	Jan. 2	Dec. 30
Canada South. Rly. c.	$3	$1.50	Feb. 1	Dec. 29
Can. Cottons	$4	$1	Jan. 4	Dec. 22
Do., pref.	$6	$1.50	Jan. 4	Dec. 22
Can. Light & Power	$1	50c	Jan. 15	Dec. 31
Can. Wire Box	...	37½c	Jan. 2	Dec. 20
Coniagas Mines	...	12½c	Jan. 10	Dec. 30
Canada Dry	$1	25c	Jan. 16	Jan. 2
Dominion Fire	6%	3%	Jan. 2	Dec. 24
Do., bonus	...	1%	Jan. 2	Dec. 24
Dominion Rubber, pref.	7%	1¾%	Dec. 30	Dec. 23
Dominion Bank	$10	$2.50	Jan. 2	Dec. 20
Dominion Bridge	$2	50c	Feb. 15	Jan. 31
Do.	...	50c	May 15	Apr. 30
Dominion Stores	$1.20	30c	Jan. 2	Dec. 15
Dominion Textile	$4	$1	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 15	Dec. 30
Dominion Glass	5%	1¼%	Jan. 2	Dec. 15
Do., pref.	7%	1¾%	Jan. 2	Dec. 15
Eastern Twps. Tele., c.	72c	18c	Jan. 15	Dec. 31
Eastern Steel Prod. pref.	7%	1¾%	Jan. 1	Dec. 15
Eastern Theatres pref.	7%	3½%	Jan. 31	Dec. 30
Fanny Farmer	$1	25c	Dec. 30	Dec. 15
Do., pref.	$2.40	60c	Dec. 30	Dec. 15
Freiman, A. J., pref.	$6	$1.50	Jan. 2	Dec. 15
Goderich Elevator	...	*25c	Jan. 2	Dec. 15
Goodyear Tire	$4	$1	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 2	Dec. 15
Gurd, Chas., pref.	7%	1¾%	Jan. 2	Dec. 15
Great West Life	20%	5%	Jan. 2	Dec. 20
Highland Dairy, pref. (16)	$7	$1.75	Jan. 2	Dec. 23
Hunts, Ltd., "A" & "B"	50c	12½c	Jan. 2	Dec. 19
Huron & Erie Mtge.	$6	$1.50	Jan. 2	Dec. 15
Ham. Un. Theatres, pfd.	$7	$1.75	Dec. 30	Nov. 30
Hollinger Gold	65c	5c	Dec. 30	Dec. 15
Do., extra	...	5c	Dec. 30	Dec. 15
Imperial Bank	10%	2½%	Feb. 1	Dec. 31
Inter. Nickel, pref.	7%	1¾%	Feb. 1	Jan. 2
Imperial Tobacco, c	35c	8¾c	Dec. 30	Nov. 29
Invest. Foundation, pfd.	$1.50	38c	Jan. 15	Dec. 30
Do., on arrears	...	12c	Jan. 15	Dec. 30
Intercolonial Coal	$1	50c	Jan. 2	Dec. 21
Do., pref.	$8	$4	Jan. 2	Dec. 21
Inter. Hydro Elec. pfd.	$3.50	87½c	Jan. 15	Dec. 26
Jam. Pub. Service	$1	25c	Jan. 2	Dec. 15
Do., pref.	$7	$1.75	Jan. 2	Dec. 15
Landed Bkg. & Loan	6%	1½%	Jan. 2	Dec. 15
Mercury Oils, com.	...	4c	Jan. 2	Nov. 30
McColl-Fron., pref.	$6	$1.50	Jan. 15	Dec. 30
Mitchell, J. S., pref.	7%	1¾%	Jan. 2	Dec. 15
Model Oils	...	3c	Jan. 20	Jan. 2
Montreal L. H. & Pr.	$1.50	38c	Jan. 31	Dec. 31
Montreal Tramways	$9	$2.25	Jan. 15	Jan. 6
Moore Corp., "A" & "B"	$7	$1.75	Jan. 2	Dec. 21
National Grocers pref.	...	‡$2.61	Jan. 1	Dec. 20
Niagara Wire Weav. pfd.	...	†75c	Jan. 6	Dec. 26
National Trust	$8	$2	Jan. 2	Dec. 21
Noranda Mines	...	$1	Dec. 30	Dec. 18
National Breweries	$1.60	40c	Jan. 2	Dec. 15
Do., pref.	$1.75	43c	Jan. 2	Dec. 15
Northern Ont. Pr. pref.	$6	$1.50	Jan. 25	Dec. 30
Do., com	$2	50c	Jan. 25	Dec. 30
Ontario Loan & Deb.	12%	3%	Jan. 2	Dec. 15
Ottawa L. H. & Pr.	6%	1½%	Jan. 1	Dec. 15
Do., pref.	6½%	1⅝%	Jan. 1	Dec. 15
Ogilvie Flour c.	$8	$2	Jan. 2	Dec. 22
Page-Hersey Tubes	$3	75c	Jan. 2	Dec. 20
Do., pref.	$7	$1.75	Jan. 2	Dec. 20
Porto Rico Power, pref.	$7	$1.75	Jan. 2	Dec. 15
Premier Gold Min.	12c	3c	Jan. 15	Dec. 19
Pioneer Gold (B.C.)	60c	15c	Jan. 2	Dec. 8
Provincial Paper, pfd.	7%	1¾%	Jan. 2	Dec. 15
Power Corp., pref.	6%	1½%	Jan. 15	Dec. 30
Do., non-cum., pfd.	$3	75c	Jan. 15	Dec. 30
Real Estate Loan	$5	$2.50	Jan. 2	Dec. 15
Riverside S. Mills A	$1	25c	Jan. 2	Dec. 15
Russell Motor, pref.	4%	1%	Feb. 1	Dec. 30
Silverwood's pref.	4%	1%	Jan. 2	Dec. 20
Standard Fuel pref.	$6.50	$1.62½	Jan. 1	Dec. 15
Supertest Pete., com. & ord.	$1	25c	Jan. 2	Dec. 15
Do., pref. A	$7	$1.75	Jan. 2	Dec. 15
Do., pref B	$1.50	37½c	Jan. 2	Dec. 15
Southern Can. Power, c.	80c	20c	Feb. 15	Jan. 31
Southern Can. Power, pfd.	$6	$1.50	Jan. 15	Dec. 20
Siscoe Gold Mines	12c	3c	Dec. 30	Dec. 15
Do., bonus	...	2c	Dec. 30	Dec. 15
Steel of Canada	$1.20	30c	Feb. 1	Jan. 8
Do., pref.	$1.75	43¾c	Feb. 1	Jan. 8
Thrift Stores, com.	...	10c	Jan. 2	Dec. 22
Do., pref.	6½%	1⅝%	Jan. 2	Dec. 22
Thayers, pref.	$7	$1.75	Jan. 2	Dec. 22
Tamblyn pref.	$7	$1.75	Jan. 2	Dec. 23
Tip Top Tailors pfd.	7%	1¾%	Jan. 2	Dec. 15
United Gold Equities	...	*5c	Jan. 15	Jan. 1
Toronto Elevators, pref.	7%	1¾%	Jan. 15	Jan. 2
Toronto Mortgage	$6	$1.50	Jan. 1	Dec. 15
Toronto Gen. Trusts	$6	$1.50	Jan. 2	Dec. 16
Tuckett Tobacco, pref.	7%	1¾%	Jan 15	Dec. 30
United Securities	$2	50c	Jan. 15	Dec. 27
Whittall Can. pref.	6½%	1⅝%	Jan. 2	Dec. 15
Western Grocers, pref.	$7	$1.75	Jan. 15	Dec. 20
Wright Hargreaves	20c	5+5c	Jan. 2	Dec. 9
West Koot. Power pfd.	7%	1¾%	Jan. 2	Dec. 22
Weston, Geo., com.	$1	25c	Jan. 2	Dec. 20

*Interim. †On arrears. ‡On account of arrears from Aug. 18, 1925 to Jan. 1, 1926.

Dividend Rate Reduced—
Canada Permanent Mortgage Jan. 2, $10 to $8 per annum.
B. C. Power, A. Jan. 15, $2 to $1.50 per annum.

Dividend Rate Increased—
Goodyear Tire, com., Jan. 2, $2.40 to $4 per annum.

Dividends Passed or Deferred—
Canadian Car pfd., due Jan. 2, passed. Last paid 43c. Oct. 10, 1933

Dividends Resumed—
Bruck Silk Mills, 25c. Jan. 15. First payment since 25c. paid May 15, 1930.
Associated Breweries, 25c. Jan. 2. Last payment 15c. Deec. 31, 1932.
Brewers & Distillers, 10c. Jan. 15. Last payment 5c. July 15, 1929.
Associated Breweries, 25c. Jan. 2. Last payment 15c. Dec. 31.
Canadian Cottons, c. $1 Jan. 4. Last payment Jan. 1930.
Can. Wirebound Box 37½c Jan. 2. Last payment 25c. Oct. 1, 1932.

Note re Unlisted Securities

Although The Financial Post strives to obtain the closest quotations possible on the unlisted stocks and bonds in the various tables on this page and the adjoining page, the quotations are not guaranteed and no responsibility is assumed in connection with them. In inactive markets, many quotations can be little more than nominal but it is felt that even a nominal quotation giving an idea of approximate price is better than none at all.

Classified Advertisements

Classified ads cost 4c. per word and figure for each insertion. Minimum ad, $1.75. Add five words when box number is required. Classified ads payable in advance.

Business Wanted

FIRM WITH LONG AND SUCCESSFUL manufacturing and selling experience is in a position to add a new line capable of national and export development. Will invest in or buy outright; preferably in old established business of high repute where owners are thinking of retiring. Address in confidence. Box 222, The Financial Post.

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A MANUFACTURER IN SCOTLAND of high-grade Harris Tweeds desires to secure reliable representative to handle his product for the Canadian market. Box 230, The Financial Post, Toronto.

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BE QUOTED correctly! At every gathering where it is desirable to record accurately all that has been said, let Stenotype Service take the responsibility. Mechanical shorthand is employed to ensure speedy, trustworthy verbatim reports. Conventions, club gatherings, boards of directors, political associations, etc., etc., can employ this service at all meetings with assurance of satisfaction. Fees are moderate. For further information write The Stenotype Reporting Bureau, 481 University Ave., Toronto.

DIVIDEND NOTICES

The Dominion Bank

Notice is hereby given that a Dividend of two and one-half per cent upon the paid-up Capital Stock of this Institution has been declared for the quarter ending 30th December, 1933, making a total distribution of ten per cent for the current year—the Dividend will be payable at the Head Office of the Bank and its Branches on and after Tuesday, the 2nd day of January, 1934, to shareholders of record of the 20th December, 1933.

By Order of the Board.
DUDLEY DAWSON,
General Manager.
Toronto, 16th November, 1933.

The Canadian Bank of Commerce

The annual meeting of the shareholders of this Bank, for the election of Directors and for other business, will be held at its banking house, No. 25 King Street West, Toronto, on Tuesday, the 9th day of January next. The chair will be taken at 11.30 o'clock a.m.

By order of the Board,
S. H. LOGAN,
General Manager.
Toronto, 24th November, 1933.

The Dominion Bank

Notice is hereby given that the Annual General Meeting of the Shareholders will be held at the Head Office of the Bank in Toronto on Wednesday, 31st January, 1934, at twelve o'clock noon.

By Order of the Board.
DUDLEY DAWSON,
General Manager.
Toronto, 14th December, 1933.

Imperial Bank of Canada

DIVIDEND No. 174

Notice is hereby given that a Dividend of two and one-half per cent (2½%) upon the paid-up Capital Stock of this Bank has been declared for the three months ending January 31st, 1934, payable at the Head Office and Branches on and after Thursday, the First day of February next, to shareholders of record of December 31st, 1933.

By order of the Board.
A. E. PHIPPS,
General Manager.
Toronto, December 13th, 1933.

Provincial Paper Limited

Notice is hereby given that Regular Quarterly Dividend of 1¾% on Preferred Stock has been declared by PROVINCIAL PAPER LIMITED, payable January 2nd, 1934, to shareholders of record as at close of business December 15th, 1933.

W. S. BARBER,
Secretary-Treasurer.
Toronto, Ontario.

United Securities Limited

Notice is hereby given that a dividend of Fifty cents (50c) per share has been declared on the outstanding common shares of the Company for the quarter ending December 31st, 1933, payable January 15th, 1934, to shareholders of record December 27th, 1933.

By Order of the Board.
JAMES WILSON,
Secretary-Treasurer.
Montreal, December 18, 1933.

Biltmore Hats Limited

Notice is hereby given that a dividend of fifty cents (50c) per share has been declared on the outstanding common shares of the Company, payable January 15th, 1934, to shareholders of record December 30th, 1933.

By Order of the Board,
W. F. FRANKE,
Secretary-Treasurer.
Guelph, December 22, 1933.

Fullerton Heads Trustees Canadian National System

F. K. Morrow and Edouard Labelle Complete Board Named by Government — Will Take Over Task at Beginning of Year

From Our Own Correspondent

MONTREAL.—Hon. Charles P. Fullerton, now chairman of the Dominion Railway Board, F. K. Morrow, of Toronto, and Edouard Labelle, of Montreal, have been appointed to the board of trustees for the Canadian National Railways. They assume office on January 1, 1934.

These appointments had long been delayed, but for several weeks past it was fully expected that Fullerton, Labelle and Morrow would be the official appointees.

Opens Way for Action

Appointment of the board clears the way for putting into effect various forms of co-operation between the Canadian National and Canadian Pacific as strongly recommended by the Duff Commission. For some time past the two railways have been actively working on different plans with a view to bringing about further economies without impairing service. Many plans, to which both roads are party, have yet to be put into operation and it is known that some of these joint plans go a long distance in the direction of joint use of terminal tracks and other facilities.

The three trustees represent many interests. Mr. Justice Fullerton is looked upon as representative of practically all sections of Canada. His life-story is told on page 3 of this issue.

Frederick K. Morrow is a comparatively young man, having been born in Essa township, Simcoe County, Ont., 47 years ago, Frederick Keenan Morrow is one of the leading business men of the Dominion. He is director of numerous companies in Canada and the United States, including bakeries, flour mills, tobacco, industrial works, express, telegraph and transportation. He was educated in Toronto and resides there. Mr. Morrow will act as a trustee without pay.

Labelle Has Experience

J. Edouard Labelle, K.C., is an outstanding Montreal lawyer and has for the past few years been a C. N. R. director.

He was born at Sorel, Que., 47 years ago and is a graduate of Montreal College and Laval University. He has specialized in commercial law and for the past 15 years has been legal adviser to the huge estate of the St. Sulpice Seminary.

Mr. Labelle's family has been prominent for many years in public life and in railway development. He is a grandson of Louis Olivier, first representative of the Warwick division (now Joliette and Berthier) in the first Quebec Assembly of 1792, and this representation was held by members of the family or near relatives for 80 years.

On his mother's side his grandfather was Chief Justice F. Armstrong, first president of the Montreal and Sorel Railway. His father, the late A. Labelle, was one of the builders. Two uncles, Ferguson Armstrong and de Ligny Armstrong, played prominent parts in the construction of the Intercolonial Railway.

Mr. Labelle is a director of International Paints (Canada), Viau Biscuit Corp., Sun Trust Co., Laprairie Brick Co., Canadian Vickers and Le Pain Modern Canadien.

DIVIDEND NOTICES

The Steel Company of Canada, Limited

Preference Dividend No. 90

Notice is hereby given that a dividend of forty-three and three-quarters cents (43¾c.) on the new Preference Shares of the Company has been declared for the quarter ending December 31st, 1933, payable February 1st, 1934, to shareholders of record at the close of business January 8th, 1934.

By Order of the Board,
H. S. ALEXANDER,
Hamilton, Ontario, Secretary.
December 20th, 1933.

The Steel Company of Canada, Limited

Ordinary Dividend No. 68

Notice is hereby given that a dividend of thirty cents (30c.) on the new Ordinary Shares of the Company has been declared for the quarter ending December 31st, 1933, payable February 1st, 1934, to shareholders of record at the close of business January 8th, 1933.

By Order of the Board,
H. S. ALEXANDER,
Hamilton, Ontario, Secretary.
December 20th, 1933.

The Dominion Fire Insurance Company

Notice is hereby given that a dividend of 3% for the half year and a bonus of 1% has been declared on the paid-up capital of The Dominion Fire Insurance Company, payable on January 2nd, 1934, to shareholders of record December 22nd, 1933.

FRANK YOUNG,
Secretary.

The Toronto Mortgage Company

Quarterly Dividend

Notice is hereby given, that a Dividend of Three per cent, upon the Paid-up Capital Stock of this Company, has been declared for the current Quarter, and that the same will be payable on and after

1st January, 1934,

to Shareholders of record on the books of the Company at the close of business on 15th instant.

By order of the Board,
WALTER GILLESPIE,
Manager.

The Whittall Can Company, Limited

Dividend Notice

Notice is hereby given that a Dividend of One and Five-eighths per cent (1⅝%), being at the rate of Six and One-half per cent (6½%) per annum, on the Cumulative Convertible (Redeemable) Preferred Stock of the Company, has been declared, payable January 2nd, 1934, to Shareholders of record December 15th, 1933.

By order of the Board.
D. H. MACFARLANE,
Secretary-Treasurer.
Montreal, December 14th, 1933.

THRIFT STORES, LIMITED

DIVIDEND NOTICE

NOTICE is hereby given that the following Dividends have been declared by Thrift Stores Limited:

One and Five-eighths per cent (1⅝%) on the 6½% FIRST CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES and

One and Three-quarters per cent (1¾%) on the SECOND CUMULATIVE REDEEMABLE CONVERTIBLE PREFERENCE SHARES.

The above Dividends are for the quarter ending December 31st, 1933, payable January 2nd, 1934, to Shareholders of record December 22nd, 1933.

Ten cents per share on the COMMON SHARES OF NO PAR VALUE, payable January 2nd, 1934, to Shareholders of record December 22nd, 1933.

By order of the Board of Directors.
THOS. F. MUNDY, Sec.-Treas.
Montreal, December 20th, 1933.

General Trust of Canada

Dividend No. 19

A dividend of 1½%, being at the rate of 6% per annum, for the quarter ending December 31, 1933, on the preference stock of the Company, has been declared, payable on January 2, 1934, to shareholders of record on December 26, 1933, at noon.

RENE MORIN,
General Manager.
Montreal, December 20, 1933.

Mining Stock Quotations

Week Ending December 25.

Par Val.	Range 1933 High	Low	Company	Sales	Close Dec. 18 (or last)	High for week	Low for week	Close Dec. 25
1	.02½	.00¼	Aconda	......	.01½	.....	.....	.....
No	.30	.08	Aldermac	25	.17	.17	.17	.17
1	.03¾	.01	Alexandria	56,000	.01½	.03	.01½	.03
No	.06	.01½	Algoma	23,500	.01½	.01½	.01½	.01½
1	.10½	.00½	Algonquin	......	.00½	.....	.....	.....
1	.06	.00¼	Amity Copper	56,100	.02½	.02½	.02	.02½
1	.01	.00¼	Apex	......	.00¼	.....	.....	.....
1	.07½	.01½	Area	......	.03	.....	.....	.....
No	.11	.03	Arno (new)	3,000	.04	.04	.03½	.04
1	1.36	.74	Ashley	240	.95	1.00	1.00	1.00
1	.14	.02½	Bagamac	6,500	.05	.05	.04½	.05
1	.03	.00½	Baldwin	1,000	.01	.00½	.00½	.00½
1	.20	.08	Barry Hollinger	21,450	.12	.12	.11½	.12
1	2.45	.75	Base Metals	15,375	1.46	1.50	1.40	1.49
5	1.29	.60	B. E. A. R.	29,800	.71½	.73	.66	.69
1	.48	.29	Big Missouri (new)	9,050	.32	.38	.33	.37
1	.28½	.08½	Bobjo	28,600	.22	.23	.20½	.22
No	13.25	2.28	Bralorne	7,460	10.25	10.90	10.15	10.25
1	.25	.11	Brett Trethewey	8,400	.13	.13	.11	.12
50c	.42	.25	B. R. Ex Gold	......	.29	.....	.....	.....
1	.07½	.01½	Brownlee	8,000	.01½	.01½	.01½	.01½
1	.03	.00½	Buckingham	......	.00½	.....	.....	.....
No	.09½	.01½	Buffalo Can.	3,600	.07½	.07½	.06½	.06½
5	24.60	15.40	Bulolo Gold	973	20.50	23.00	21.75	23.00
No	.10	.01	Bunker Hill	35,600	.01½	.01½	.01	.01½
5s	1.25	.60	B'Wana McKubwa	......	.72	.....	.....	.....
No	.05	.02½	Canam Metals	......	.03	.....	.....	.....
1	.12½	.03	Can. Kirkland	15,900	.06½	.08	.06½	.07
No	.60	.32	Can. Malartic	3,600	.42	.41	.38	.39
1	.02	.00½	Capital Rouyn	2,000	.00½	.00½	.00½	.00½
1	3.05	2.50	Cariboo G. Q.	500	2.85	2.90	2.55	2.85
1	.03½	.01	Cartier Malartic	6,000	.01½	.01½	.01	.01
1	.72	.15	Castle Trethewey	72,650	.52	.66	.52	.63
1	.20	.06	Cen. Manitoba	15,550	.13	.12	.11	.12
1	.73	.17	Cen. Patricia	9,350	.46½	.49	.46½	.48
No	.20	.03	Chibougamau Pros.	86,900	.03½	.06½	.05½	.06
No	.15	.03	Church. M. & Mill.	14,100	.12	.12	.11½	.12
No	.04	.00½	Clericy	10,000	.01½	.01½	.01½	.01½
1	.03	.01	Clifton Cons.	3,000	.01½	.01½	.01½	.01½
5	9.00	1.65	Coast Copper	1,440	4.15	4.20	4.00	4.20
1	.15	.00½	Cobalt Contact	91,500	.04½	.06½	.04	.06
No	.48½	.43	Columario (new)	16,250	.46	.48½	.46	.48½
5	1.90	.75	Coniagas	1,000	1.35	1.50	1.40	1.45
No	1.00	.20	Coniaurum	1,510	.90	.95	.90	.92
25	144.00	54.00	Cons. Smelters	2,492	126.50	134.00	126.00	132.50
No	40.00	13.60	Dome Mines	7,799	32.20	34.50	31.25	34.50
No	.15½	.03½	Dom. Explorers	16,800	.04½	.06½	.04½	.06½
1	.02½	.01	Dominion Kirk.	1,000	.01	.01	.01	.01
1	.04	.00½	Don Rouyn	......	.01	.....	.....	.....
1	.04½	.01	Duparquet	400	.02	.01½	.01½	.01½
1	8.10	1.16	Eldorado	69,425	3.41	4.02	3.25	3.90
No	4.55	1.80	Falconbridge	2,329	3.10	3.25	3.00	3.10
1	.06	.01	Federal	3,500	.02	.01½	.01½	.01½
No	.07	.01	Gilbec	3,500	.02½	.02½	.02½	.02½
1	.17	.04	Goldale	7,000	.08	.08	.07	.08
10	.29	.10	Goldfield	......	.15	.....	.....	.....
	.01½	.01	Gold Reef	......	.01	.....	.....	.....
1	.23	.02	Goodfish	4,700	.11½	.12	.11	.11
1	.04	.01	Graham	12,500	.02½	.02½	.02½	.02½
1	1.95	.50	Granada	9,005	.55	.56	.50	.56
1	.18	.05	Grozelle	......	.05	.....	.....	.....
1	.45	.24	Halcrow Swayze	3,050	.33½	.35	.33	.35
1	.06	.02	Harker	5,500	.03½	.03½	.03½	.03½
1	.01½	.00½	Hilltop	11,000	.00½	.00½	.00½	.00½
5	12.50	6.05	Hollinger	10,425	11.00	11.50	10.70	11.50
1	1.51	.61	Howey Gold	9,725	.96	.99½	.95	.99½
No	12.25	3.10	Hudson Bay	490	8.55	9.50	8.50	9.50
No	.55	.25	Huronian	......	.40	.....	.....	.....
1	13.00	8.50	Inter. Mining	......	10.00	.....	.....	.....
1	4.50	2.75	Do., Pur. Warr.	......	4.50	.....	.....	.....
No	23.25	8.00	Int. Nickel	38,956	21.25	22.00	20.75	21.60
100	112½	112	Do., Pref.	......	112½	.....	.....	.....
1	.04½	.00½	Jackson Manion	57,800	.02½	.03	.02½	.03
1	.70	.20	Keeley	700	.41	.45	.41	.45
1	.02½	.00½	Keora Mines	......	.00½	.....	.....	.....
1	.76	.48	Kirk. Hud. Bay	2,500	.52	.55	.52	.55
1	.02¾	.00½	Kirk. Hunton	3,000	.00½	.00½	.00½	.00½
1	.52	.27	Kirkland Lake	13,100	.28	.28	.27	.28
1	.04½	.01½	Kirkland Premier	15,500	.02½	.02	.01½	.02
1	.52	.12	Kirk. Townsite	11,900	.21½	.27	.21	.26
20c	.02½	.00½	Koot. Florence	3,000	.01½	.01½	.01½	.01½
1	.35	.15	Lakeland	1,900	.18	.18	.16	.17
No	.32	.07	Lake Maron	13,300	.10½	.10	.08	.08½
1	52.00	30.75	Lake Shore	6,836	43.30	45.25	42.75	45.25
1	.23½	.02½	Lebel Oro	17,280	.10½	.11	.09	.10
No	.29	.11	Lee Gold	12,800	.12½	.12½	.11	.11½
1	2.29	.20	Macassa	51,652	.81	.85	.81	.85
1	.07½	.01	Malrobic	100	.01½	.07	.07	.07
No	.17	.02½	Mandy	1,050	.08	.08	.07½	.07½
No	.07	.01	Manitoba Basin	5,200	.02	.02½	.01½	.02
5	48.60	21.20	McIntyre	6,838	38.50	41.00	36.50	41.00
1	.55	.30	McKinley	......	.50	.....	.....	.....
No	.08	.01	McLeod River	9,000	.01½	.01½	.01½	.01½
1	.44½	.08	McMillan	68,250	.41½	.42½	.38	.39
No	1.15	.35	McWatters	9,650	.36	.36	.35	.35
1	1.20	.15	McVittie	45,080	1.08	1.20	1.03	1.18
5	1.25	.06	Mentor Exp. & Dev.	......	1.05	.....	.....	.....
No	2.65	1.20	Mining Corp.	2,985	1.55	1.79	1.51	1.75
1	.05	.01½	Moffatt Hall	12,000	.02½	.02½	.02	.02½
1	.12½	.02	Moneta	4,500	.08½	.09½	.08½	.08½
1	.00½	.00½	Montreal Rouyn	......	.00½	.....	.....	.....
1	.12½	.02½	Moss	......	.02½	.....	.....	.....
1	.03½	.00½	Murphy	......	.01½	.....	.....	.....
No	.06½	.02	Newbec	2,500	.02	.02½	.02	.02
1	.06½	.01½	Night-Hawk Penn.	1,000	.03	.03	.03	.03
5	3.50	1.15	Nipissing	19,715	2.30	2.85	2.26	2.85
No	39.25	19.75	Noranda	4,672	33.00	34.50	32.90	34.50
No	.52	.26	Nor. Canada	......	.28	.....	.....	.....
1	.34	.05	Osisko	1,000	.15	.10	.10	.10
1	.46	.11	Parkhill	27,450	.42½	.42	.35	.37
1	.03½	.01	Pawnee Kirk.	1,000	.01½	.01	.01	.01
1	.29	.20	Paymaster	35,425	.23	.22½	.20	.22
1	1.80	.50	Pend Oreille	1,300	.68	.85	.66	.85
1	.04½	.00½	Peterson Cobalt	12,000	.03	.04	.02½	.03½
1	16.25	4.30	Pioneer Gold B.C.	3,885	11.60	12.00	10.90	11.50
1	.03	.00½	Porcupine Crown	1,000	.02	.01½	.01½	.01½
1	.01½	.00½	Potter Doal	......	.00½	.....	.....	.....
1	1.60	.55	Premier Gold	43,650	1.08	1.15	1.00	1.13
1	.03½	.00½	Preston E. Dome	4,000	.01½	.01½	.01	.01½
No	1.75	.33	Prospectors Air's.	300	.35	.33	.33	.33
No	.15	.03	Quemont	......	.10	.....	.....	.....
1	.51	.25	Read Authier	2,000	.32	.32	.29	.30
1	2.75	.70	Reno	3,800	.84	.87	.81	.82
1	.03½	.00½	Ribago	19,000	.00½	.01	.00½	.01
1	.03	.01½	Ritchie	7,500	.01½	.01½	.01½	.01½
1	.04½	.01	Robb Montbray	1,440	.01	.01½	.01	.01
1	1.75	.75	San Antonio	38,360	1.55	1.75	1.55	1.75
1	.07	.02	Seven Troughs	......	.07	.....	.....	.....
1	1.90	.33	Sherritt Gordon	9,043	.87	.94	.87	.94
1	1.78	1.25	Siscoe	21,545	1.46	1.48	1.43	1.45
1	.10½	.02	South Keora	4,000	.02	.02	.02	.02
	.20	.18	South Tibblemont	71,500	.....	.20	.18	.19½
No	.16	.08	Stadacona (new)	7,680	.09	.09	.08	.08
1	.60	.07	St. Anthony	5,900	.33½	.33	.30½	.30½
No	2.21	.60	Sudbury Basin	2,850	1.03	1.06	.95	1.00
1	.15	.00½	Sudbury Contact	6,100	.05	.06	.05	.06
1	.02½	.00½	Sudbury Mines	1,000	.01	.01	.01	.01
No	.28	.16½	Sudbury Nickel	......	.21	.....	.....	.....
1	.38½	.14	Sullivan	15,100	.26	.27	.25	.25
1	1.44	.72	Sylvanite	33,075	1.20	1.22	1.19	1.21
1	7.25	3.70	Teck Hughes	10,580	5.75	5.80	5.55	5.80
1	.22	.03	Thom. Cadillac	80,800	.16½	.19½	.17½	.19½
1	.61	.10	Towagmac	100	.26	.25	.25	.25
1	3.00	.50	Treadwell	2,075	.60	.55	.50	.55
1	.25	.04	United Kirkland	3,000	.16	.16	.15	.16
No	.06½	.01	Vacuum Gas	3,000	.01½	.01½	.01½	.01½
No	2.40	.30	Venezuela	......	1.06	.....	.....	.....
No	1.50	.66	Ventures	20,550	.69	.83	.68½	.83
1	.22	.01½	Vickers	1,500	.01½	.01½	.01½	.01½
1	.75	.20	Vipond	1,885	.41	.45	.40	.45
No	1.80	1.15	Waite Amulet	7,480	1.25	1.27	1.25	1.26
50c	.75	.32	Wayside	149,723	.36	.45	.35	.44
No	.32½	.18	White Eagle	235,320	.27½	.32½	.26½	.32
1	.08	.02½	White Lake	......	.03½	.....	.....	.....
1	.28	.02	Wiltsey Coughlan	26,000	.09½	.12	.08	.09½
1	.27	.05½	Wood Kirkland	1,000	.06½	.06	.06	.06
No	8.60	3.73	Wright-Hargreaves	33,010	6.45	6.70	6.05	6.70

OIL STOCKS

Par Val.	Range 1933 High	Low	Company	Sales	Close Dec. 18 (or last)	High for week	Low for week	Close Dec. 25
No	.32	.07½	Acme Gas & Oil	17,800	.16	.17½	.16	.17
1	.05	.04½	Admiral	......	.05	.....	.....	.....
No	.01	.01	Advance	......	.01	.....	.....	.....
1	.07	.03½	Anaconda	2,000	.04½	.04½	.03½	.03½
1	1.60	.55	Ajax	3,100	1.02	1.06	1.00	1.03
1	.68	.05	Alta. Pacific	4,700	.17½	.17	.16	.16
1	.20	.05	Amalgamated	23,520	.09½	.12	.10	.12
No	1.10	.04½	Associated	2,300	.21	.22	.21	.21
No	.26	.01	Baltac	1,100	.05½	.04½	.04	.04½
1	.06	.06	Brit. Dominion	100	.....	.06	.06	.06
No	2.50	.25	Calgary & Ed.	1,600	.90	.90	.90	.90
1	.45	.03	Calmont	4,550	.10½	.11	.10½	.11
1	.25	.03½	Common. Pete.	......	.08	.....	.....	.....
No	2.50	.11	Dalhousie	725	.45	.45	.43	.43
No	.19	.02	Devenish	......	.08	.....	.....	.....
No	.55	.05½	East Crest	9,200	.25	.27	.25	.27
No	.36	.20	Erie Gas	......	.20	.....	.....	.....
No	.02	.00½	Fabyan Pete	10,000	.00½	.00½	.00½	.00½
No	1.75	.06	Foothills	500	.35	.30	.30	.30
No	.28	.06	Freehold	6,000	.09	.10½	.09	.09
No	.12	.01½	Hargal	......	.05½	.....	.....	.....
No	4.05	.30	Home	5,045	1.62	1.62	1.53	1.55
No	.05	.02½	Homestead	......	.02½	.....	.....	.....
1	.25	.10	Homestead O. & G.	1,100	.15	.15	.14	.14
No	.47	.10	Lowery	1,500	.25	.25	.24	.24
No	.06½	.01½	Madison	1,000	.01½	.01½	.01½	.01½
No	.20	.05½	Marjon Oil	3,100	.13	.13	.12	.13
No	.10	.03½	McD. Segur Ex.	500	.05½	.04	.04	.04
1	.08½	.05	McD. Segur N.	......	.06	.....	.....	.....
1	1.10	.25	McLeod	......	.33	.....	.....	.....
No	.30	.07½	Mercury	6,000	.12½	.13	.12	.12
No	.45	.11	Merland	4,200	.27	.27½	.24	.24
1	.01½	.01	Mid West	......	.01½	.....	.....	.....
No	.35	.09	Mill City Pete	700	.15	.15	.15	.15
1	.50	.12	Model	1,800	.27	.28	.27	.28
5	.30	.08	Nordon	6,600	.09	.09	.08	.09
No	.12½	.02½	Oil Selections	1,600	.04½	.05	.04½	.04½
No	.20	.04	Okalta	......	.05	.....	.....	.....
No	.61	.20	Olga Gas & Oil	42,000	.25	.32	.22	.28
1	.75	.13	Petrol Oil & Gas	......	.16½	.....	.....	.....
No	.02	.02	Richfield	......	.02	.....	.....	.....
No	23.00	5.75	Royalite	615	19.00	19.50	18.75	19.50
1	.25	.05	Sarnia Oil	4,500	.08½	.08½	.08½	.08½
No	.45	.04	South West Pete	......	.11	.....	.....	.....
1	.39	.06	Spooner	225	.23	.20	.20	.20
No	.75	.12	Sterling Pacific	23,950	.43½	.52	.44	.51
	.43½	.43	Trinidad Oil	......	.43	.....	.....	.....
No	.25	.03	United	2,500	.03½	.06	.05½	.06
No	.25	.06	Vanalta	......	.10	.....	.....	.....
No	.90	.65	Wainwright	6,600	.77½	.77	.75	.76½

VANCOUVER STOCK EXCHANGE
(Transaction for Week to December 18.)

Par Val.	Range 1933 High	Low	Company	Sales	Close Dec. 13 (or last)	High for week	Low for week	Close Dec. 18
25c	.03	.00½	Bayview	1,500	.01	.01	.01	.01
20c	.10½	.02½	Beaver Silver	1,000	.06½	.06	.06	.06
25c	.17	.03	Big Slide	7,750	.04	.04	.03½	.04
25c	.06½	.02	Bluebird	......	.02	.....	.....	.....
No	13.00	1.38	Bralorne	4,126	9.75	10.35	9.75	10.35
1	.57	.05	Bridge River Cons.	6,450	.20	.20	.19	.20
50c	.71	.22	Bridge River Exp.	33,100	.26	.32	.28	.30
100	99.00	88.50	B. C. Electric, pfd	......	98.00	.....	.....	.....
1	.60	.33	B. C. Nickel	10,650	.45	.53	.48	.50
	.25	.25	Butte I. X. L.	3,500	.25	.25	.25	.25
1	1.50	.60	B. C. Silver	......	.90	.....	.....	.....
No	.82	.52	Burns Mountain	......	.55	.....	.....	.....
	.36	.35	Cariboo Central	......	.36	.....	.....	.....
1	4.60	1.50	Cariboo Gold	3,195	2.80	2.90	2.75	2.75
No	12.90	5.60	Coast Breweries	100	9.00	9.00	8.50	8.50
25c	.02½	.00½	Cork Province	1,000	.01	.00½	.00½	.00½
1	.05	.02½	Cotton Belt	......	.05	.....	.....	.....
1	.08	.01½	Dalhousie Mines	......	.02	.....	.....	.....
50c	.21	.21	Dentonia	......	.25	.....	.....	.....
1	.21½	.02	Dunwell	16,850	.17	.21	.17	.21
1	1.00	.28	George Copper	......	.30	.....	.....	.....
50c	.12	.03	Geo. Enterprise	......	.03	.....	.....	.....
1	.09½	.01½	Georgia River	7,000	.02	.02	.02	.02
1	.60	.16	Golconda	7,000	.40½	.43	.41	.43
50c	1.25	.25	Gold Belt	912	.29	.28	.28	.28
1	1.50	.95	Golden Belle	......	1.50	.....	.....	.....
50c	.11	.03	Grandview	500	.03	.03	.03	.03
1	.29	.23	Grull Wihksne	200	.24	.24	.23	.23
	.09	.07	Home Gold	1,000	.07	.07	.07	.07
1	.01½	.00½	Independence	1,000	.00½	.01	.01	.01
1	.03½	.01	Indian Mines	......	.01½	.....	.....	.....
1	.17	.08½	Inter. Coal	......	.13	.....	.....	.....
1	.36	.36	Jack Waite	......	.36	.....	.....	.....
50c	.57	.18	Kootenay Belle	......	.23	.....	.....	.....
25c	.04	.00½	Kootenay King	......	.01	.....	.....	.....
25c	.01	.00½	L. & L.	......	.00½	.....	.....	.....
1	.01	.00½	Lakeview	......	.00½	.....	.....	.....
10c	.06½	.01	Lucky Jim	2,700	.08½	.03½	.03	.03½
50c	.01½	.00½	Marmot Metals	......	.00½	.....	.....	.....
10c	1.05	.20	Meridian Min.	15,850	.26½	.26½	.25	.25
1	.10	.07	McGillivray Creek	......	.07½	.....	.....	.....
5c	.13	.04½	Metaline Metals	......	.04½	.....	.....	.....
No	.14½	.12	Minto Mines	12,900	.12½	.14½	.12½	.13½
25c	.01	.00½	Mohawk	......	.00½	.....	.....	.....
50c	.17	.05	Mogul	......	.07	.....	.....	.....
50c	.41	.15	Morning Star	61,410	.19	.29½	.19	.20½
1	.06	.00½	Morton Woolsey	......	.01½	.....	.....	.....
1	.20	.03	Native Sons	7,300	.04	.05	.03	.03
50c	.10½	.01½	National Silver	23,500	.04½	.04½	.04	.04½
50c	1.14	.74	Nicola	23,000	1.12	1.17	1.11	1.15
50c	.21½	.02½	Noble Five	34,100	.08½	.09	.08	.08½
50c	.01	.00½	Oregon Copper	......	.01	.....	.....	.....
1	.35	.15	Pavilion	1,000	.15	.15	.15	.15
1	1.25	.40	Pioneer Extension	......	1.10	.....	.....	.....
1	16.10	4.30	Pioneer Gold	940	12.10	12.55	11.65	11.65
1	.11	.10	Planet	......	.10	.....	.....	.....
50c	.19	.04½	Porter Idaho	2,500	.09½	.09½	.09	.09½
No	.04	.00½	Premier Border	1,000	.01	.01	.01	.01
1	.10	.02	Quatsino Copper	......	.02	.....	.....	.....
No	.42	.10	Reeves McDonald	100	.15	.14	.14	.14
1	.30	.25	Reliance	......	.27	.....	.....	.....
1	2.70	.60	Reno Gold	4,950	.90	.92	.82	.82
1	.22	.04	Reward Mining	2,500	.07	.07	.06	.06
1	.10	.01	Rufus Argenta	......	.02	.....	.....	.....
1	.07	.01	Ruth Hope	1,300	.02½	.03½	.02½	.02½
1	.65	.30	Sally Mines	3,500	.35	.33	.30	.32
1	.15	.03½	Silverado	......	.05	.....	.....	.....
25c	.09	.01	Silver Crest	5,000	.02	.02½	.02	.02
20c	.03½	.01½	Silversmith	......	.02	.....	.....	.....
50c	.04½	.01	Snowflake	......	.01	.....	.....	.....
25c	.06	.01½	Sonora	......	.01½	.....	.....	.....
1	.61	.28	Standard Gold	1,000	.28	.35	.32	.35
1	.50	.20	Sunloch	......	.20	.....	.....	.....
No	.49	.39	Taylor Bridge	4,300	.40	.41	.39	.40
	3.30	3.00	Sunshine	......	3.10	.....	.....	.....
5	.40	.20	Toric	......	.40	.....	.....	.....
50c	.03½	.00½	Topley Richfield	......	.00½	.....	.....	.....
50c	.72	.08	Wayside	16,650	.34½	.36	.34	.36
25c	.12	.01½	Waverly Tangier	17,000	.01½	.01½	.01½	.01½
20c	.05	.01½	Wellington	1,000	.01½	.01½	.01½	.01½
No	.36	.20	White Eagle	4,800	.24	.27½	.25	.27½
1	.18	.03	Whitewater	1,250	.05½	.05½	.05	.05
1	.48	.40	Yankee Belle	......	.42	.....	.....	.....

DIVIDEND PAYERS

	Rate	Yield %		Rate	Yield %
Ajax Oil	8c.	7.76	McLeod Oils‡	5c.	.....
Bulolo Gold‡	60c.	.....	Mercury Oils	4c.	.....
Coast Brew.	92c.	.....	Merland Oils‡	5c.	.....
Coniagas	12½c.	.....	Model Oils	3c.	.....
Coniaurum†	3c.	.....	Noranda‡	$1	.....
Cons. Smelters	1.50	.....	Petrol Oil‡	1c.	.....
Dome Mines	$1+55c.	4.46	Premier	12c.	10.61
Falconbridge	25c.	.....	Pioneer, B.C.	60c.	5.21
Goldfield Cons‡	5c.	.....	Royalite	$1	.....
Hollinger	65c.+20c.	7.40	Siscoe	12+2c.	9.65
Howe Sound	$1	.....	Sterling Pacific Oil‡	3c.	.....
Int. Coal & Coke‡	2c.	.....	Sunshine Min.	5+7c.	.....
Lake Shore	$2+$1	6.63	Sylvanite	4+3½c.	.....
McIntyre	1.87½	4.55	Teck-Hughes	60c.	10.34
			Wright-Har.	20c.+10c.	4.47

‡Interim. †Initial. *Paid in 1932.

Listed Bond Quotations

Week Ending December 25, 1933

Montreal	Int. Rate	Due	Yield	Latest Bid	High	Low	Range, 1933 High	Low
Abitibi, 1st mtge.§	5	1953	...	17½	...	...	18	13
Asbestos	5	1942	...	45	...	...	*65½	49
Can. Cons. Rub.	6	1946	...	75	...	...	62	...
Can. Cottons	5	1940	8.11	94	...	...	84⅝	...
Can. Forgings	6	1942	...	...	...	...	*100	...
Can. S.S. Debs.	5	1943	...	66	...	...	*83½	...
Cedars Rapids	5	1953	4.64	103	...	...	108	104½
Dom. Canners	6	1940	...	...	...	...	‡103	...
Dominion Coal	5	1940	...	...	...	...	37	...
McNish	6	1948	...	3.50	3.50	...	3.50	1.00
Mex. L. & Pr.	5	1940	...	†59	...	...	*78½	70½
Mtl. L.H.&Pr. debs.	3	1939	...	44	44	43	47½	39½
Mont. Tr. 1st mtg.§	5	1941	5.53	...	...	...	98½	95½
Mont. Trams. A§	5	1955	7.58	71½	...	...	81½	58
Do., G. & Ref. B	5	1955	7.44	...	...	...	74½	73½
Do., C	4½	1955	9.03	...	...	...	57	57
Do., D	5	1955	7.41	...	...	...	77½	76½
N. S. Steel	5	1959	...	...	...	...	*62½	58
Ontario Steel	6	1943	7.43	87½	...	...	90	80
Porto Rico Pr.	5	1936	...	...	...	...	*98	88
Steel of Canada§	6	1940	...	105	...	...	*102½	100
Wayagamack	6	1951	...	...	...	...	*75	45
Winnipeg Elec.§	5	1935	...	75	...	...	79	75
Toronto								
Canada Bread	6	1941	...	...	...	...	*101½	100
Steel of Canada	6	1940	...	...	...	...	*101½	...
Dominion Govt. Bonds (Montreal)								
War Loan§	5	1937	...	104.50	....	....	116.25	107.00
Do.	5½	1934	4.12	100.95	100.95	....	102.60	100.95
Do.	5½	1937	3.54	106.75	....	....	110.25	109.25
Do., refund	4½	1940	4.41	100.00	....	....	101.25	99.70
Do., refund	5	1943	4.62	102.50	....	....	104.90	101.85
Do., refund	4½	1944	4.50	99.50	....	....	100.50	98.25
Do., refund	4½	1946	4.50	99.50	....	....	*92.25	91.50
Do., renewal	4	1952	4.43	94.25	....	....	95.25	91.63
Do., refund	4	1945	4.48	95.25	95.55	....	96.50	95.55
Conversion Loan	4½	1956	4.57	98.25	....	....	100.70	97.00
Do.	4½	1957	4.57	98.25	....	....	99.00	96.00
Do.	4½	1958	4.60	98.12	....	....	100.75	97.75
Do.	4½	1959	4.56	99.12	....	....	108.87	97.75
Nat. Service Loan	5	1936	4.01	102.25	....	....	103.25	101.50
Do.	5	1941	4.62	102.50	....	....	103.75	100.75
Dom. Loan	4	1935	3.80	100.00	....	....	99.75	99.75
Unlisted:								
Cons. Paper	5½	1961	...	....	....	....	....	....
Can. For. Inv. deb.	7	1949	...	100	....	....	100.00	80.00

†Latest ask. ‡Quotations for 1930. *For 1931. *For 1932. None recorded in 1933 to date. §Payable in Canada and New York.

Active Provincial and Municipal Bonds

Quotations furnished by A. E. Ames & Co., Canada Permanent Building, Toronto, Ont.

December 26, 1933

	Rate	Actual Maturity	Next Int. Date	Price	Yield
*Alberta	4½	1 Oct., 1953	1 Apr.	83.00	5.80
Alberta	5	1 July, 1943	1 Jan.	92.00	6.08
Alberta	6	1 Mar., 1947	1 Mar.	98.50	6.16
*British Columbia	4½	1 Oct., 1953	1 Apr.	83.00	5.97
*British Columbia	5	15 Jan., 1948	15 Jan.	90.00	6.07
British Columbia	6	15 Feb., 1947	15 Feb.	96.00	6.45
Manitoba	4	1 July, 1947	1 Jan.	84.00	5.72
*Manitoba	5	2 Dec., 1959	2 June	90.00	5.75
Manitoba	6	1 Apr., 1947	1 Apr.	96.00	6.45
*New Brunswick	4	1 June, 1948	1 June	91.00	4.85
*New Brunswick	4¾	15 June, 1936	15 June	99.50	4.96
New Brunswick	5½	15 May, 1950	15 May	104.50	5.09
*Nova Scotia	4½	15 Nov., 1948	15 May	98.00	4.68
Nova Scotia	5	1 May, 1943	1 May	100.50	4.94
*Ontario	4½	1 Sept., 1944	1 Mar.	101.50	4.32
Ontario	5	15 Oct., 1948	15 Apr.	103.50	4.67
Ontario	5½	1 Feb., 1947	1 Feb.	107.50	4.74
P. E. I.	4	1 Apr., 1939	1 Apr.	96.00	5.85
P. E. I.	6	1 May, 1947	1 May	107.50	5.21
*Quebec	4¼	1 May, 1961	1 May	97.00	4.44
*Saskatchewan	4½	1 Sept., 1956	1 Mar.	82.00	5.98
*Saskatchewan	5	1 Nov., 1959	1 May	87.00	5.99
Saskatchewan	6	15 Mar., 1952	15 Mar.	93.00	6.66
Cities					
*Montreal	5	1 Sept., 1963	1 Mar.	99.00	5.07
*Toronto	4½	1 Jan., 1955	1 Jan.	98.50	4.62
*Vancouver	5	15 Jan., 1970	15 Jan.	85.25	6.00
Winnipeg	5	1 Mar., 1944	1 Mar.	92.30	6.00
*Edmonton	5½	1 Apr., 1947	1 Apr.	88.50	6.81
Calgary	5	1 Jan., 1943	1 Jan.	87.00	6.88
Halifax	6	1 July, 1951	1 Jan.	112.00	4.97
Saint John	5	15 Dec., 1950	15 June	101.50	4.87
Regina	4½	1 July, 1950	1 Jan.	77.50	6.75
Victoria	5	21 July, 1945	21 Jan.	91.50	6.00
Quebec	5	1 June, 1948	1 June	100.00	5.00

*Payable in New York.

Airplane Transport To Great Bear Lake Speeds Development

Difficult Route to Arctic Circle Has Record For Safety

BUSINESS IS GOOD

Increased Activity Creates 150 Per Cent Increase in Revenue in Past Three Years

The fourth summer flying season in the Great Bear Lake area since the discovery of radium ore by Gilbert LaBine which attracted world interest, has been one of unprecedented activity with approximately 50 per cent increase in flying revenue and a 50 per cent decrease in air transportation rates in the last three years.

The following tabulation of the flying activities of the Canadian Airways, the principal operators in the area, tells its own story. Incidentally it may be surprising to Canadians to learn that the flying operations of The Canadian Airways are the most extensive of any air transport company on the continent.

Mackenzie River Area

	Jan.-Oct. 1933
Total miles flown	313,135
Mail, pounds	42,524
Express, other than mail	396,846
Grand total, mail and express	429,370
Pound miles—total	113,913,580
Passengers	812
Passenger miles	285,076

It is significant that in flying over an area 2,000 miles in extent from Fort McMurray to Aklavik, at the mouth of the Mackenzie, the longest space that would bar an air pilot making a landing, is 15 miles of rapids. This network of waterways over this great stretch is regarded as one of the most difficult commercial flying routes in the world, not that it is lacking in landing spots for pontoon-equipped planes, but the sparsely settled centres and the lack of well equipped air bases require a special technique in flying ability and resourcefulness such as is not found in the commercial flying lanes of the United States. From Edmonton to Cameron Bay on Great Bear Lake the distance is 1,085 miles, while from Waterways, or the end of steel, it is 805 miles. This longer hop has been made in seven hours and twenty-five minutes whereas the over-land or over-water route takes weeks.

Radio Stations Big Aid

Canadian Airways has this flying route dotted with emergency caches of gas and oil, while the chief bases in this Mackenzie district are Edmonton and Fort McMurray with sub-bases at Cameron Bay, Great Bear Lake and Fort Rae. The Government co-operates with the air transport companies in the district by the establishment of radio stations at Aklavik, Fort Norman, Simpson, Resolution, Smith and McMurray. The Canadian Airways maintains its own radio stations at Cameron Bay, Great Bear Lake and Rae. In order to check flying conditions a form with 14 questions is used and when flights are being made a radio request is made to the government stations as to weather conditions. Once daily at 5.30 a.m., the meteorological department gives general atmospheric conditions.

To serve this vast area Canadian Airways has six permanent planes, which are supplemented with others as traffic demands. This Mackenzie district, as it is known, is superintended by C. H. "Punch" Dickens, the veteran northern pilot, who first flew into the area in 1929. While 1929 marks the commencement of commercial flying to Great Bear Lake and the Arctic, as we know it today, in 1921 the Imperial Oil Co. sent two planes into Fort Norman on the Mackenzie River, at the junction of Great Bear River, when it undertook drilling of the oil wells that now supply the district with crude oil and the lower grade gasoline.

No Passenger Ever Hurt

An interesting phase of flying conditions in this area is that not five minutes delay was occasioned this summer through any accident and no passenger has ever been involved in any accident in this remote area.

Each plane is equipped with emergency equipment, which in winter time constitutes about 400 pounds of the load. Emergency equipment comprises 85 pounds of rations, snowshoes, fishnets, silk tents, sleeping bags, sheet iron stove and other emergency equipment that might be required should a plane be forced down. In addition, when a plane is chartered for points off the beaten path it carries a portable radio in order to keep in touch with headquarters or other radio bases.

No Mail Ever Lost

The transportation of mail into the area is an important contract, and it is interesting that in this 1,000 mile route from Edmonton to Great Bear Lake not one piece of mail has ever been destroyed.

The last two months has been one of between seasons when planes are converted from pontoons to skis. The summer flying season started this year on June 10, a new record date, and ended on October 6. Winter flying with skis is now under way again with the usual starting dates between November 15 and November 25 and will continue until about April 15. This season is lengthened somewhat by relaying supplies to intermediate bases where the season permits the use of either the pontoon or ski equipped planes. No night flying is done as the flying hours are from sunrise to sunset, but in this northern latitude the sun only dips below the horizon for short periods at midnight.

What air transportation means to this district aside from its development is told in its errands of mercy. Last summer a sick patient was picked up at 12 o'clock midnight at Great Bear Lake in a Canadian Airways plane, rushed to Edmonton airport, conveyed to the hospital and was operated on before 12 o'clock the following noon, and a life was saved.

Return Rate $375

Present flying rates per passenger are about $375 for the return journey from Waterways to Great Bear Lake.

Activity in the area next season promises to be even greater than this year. Eldorado Gold Mines is the centre of activity where a 50-ton Diesel powered silver concentrator is in the process of erection. The B.E.A.R. has a 15-ton Diesel powered test concentrator. Other companies in the area that were carrying on exploration work during the past season included Consolidated Smelters, Great Bear Lake Mines, White Eagle Silver Mines, Great Bear Mineral Syndicate, Great Bear Development and Sun Bear Mines, the last doing some diamond drilling.

One interesting phase of the activity that has been going on in this widespread mineral area is every honest exploration effort has been rewarded by encouragement in the finding of ore however small but all have made finds. In a district with such widespread mineralization, those most familiar with development claim that it will be years before its possibilities can be determined, but with each succeeding find, new interests and new capital will be attracted to the field and air transportation will have an important place in this development.

Electric Boilers Take Larger Share

From Our Own Correspondent

MONTREAL.—Substantial gains in the production of newsprint are reflected in the increasing use of electric boilers for the production of steam. Last month 375,579,000 kw.h., or nearly 20 per cent of the total output, was used in electric boilers. This was roughly one-third more than in the previous month and considerably more than a year ago.

The use of electric boilers in Quebec is more widespread than in the other provinces, boilers in that province having used 272,148,000 kw.h. during November. Ontario reported 77,389,000 kw.h. of energy consumed in this way, while Manitoba recorded a consumption of 25,883,000 kw.h. British Columbia's electric boilers used only 159,000 kw.h. in November. This figure is relatively small, but it is greater than reported for any other month on record.

BRALORNE MINES FORMS SUBSIDIARY NEWMONT IN DEAL

Shareholders Called to Meeting January 4 to Approve

At a special general meeting of Bralorne Mine shareholders, called for January 4, in Vancouver, approval will be sought to transfer a part of its holdings in the Bridge River area of British Columbia to a newly formed subsidiary to be known as the Bradian Mines, which will be financed by an underwriting agreement with the Newmont Mining Corp. and Bralco Development & Investment Co. This plan of forming a subsidiary company to develop Bralorne's extensive holdings was first exclusively announced by The Financial Post on Nov. 4, last.

Austin C. Taylor, president of Bralorne, outlines the following proposed terms in connection with the deal:

It is proposed that the new company will have a capital of $2,000,000 in $1 par value shares. By terms of the agreement Bralorne will transfer to the new company 21 Crown granted mining claims, including surface rights of two of them, and five other mineral claims. In consideration for the properties Bralorne is to receive 1,199,998 fully paid shares of the new company, and the latter is to give to recorded owners of shares of Bralorne at the close of business, Jan. 24, the right to subscribe at par for two shares of the new company for each five shares owned in Bralorne. This agreement provides for the issue as soon after Jan. 24, as is practicable of transferable subscription warrants which must be exercised not later than March 12. These warrants will confer rights to subscribe for 400,000 shares at $1 each.

Newmont Underwrites Issue

In a proposed agreement between the new company, Bralco and Newmont Mining Corp., of New York, Bralco will underwrite 25 per cent and the Newmont Corp. 75 per cent of the said 400,000 shares at $1 each. The purpose of this underwriting is to ensure that the new company will receive either by way of subscriptions from Bralorne shareholders or from the underwriters the sum of $400,000 cash with which to begin its operations. In return for such underwriting the new company will give to Bralco and the Newmont Corp. in the same proportion of 25 per cent and 75 per cent, the option of subscribing for an additional 200,000 shares at $1.25 per share up to Aug. 1, 1935.

Kirkland Gold Mines—F. A. Pollard, president of the company since its incorporation early this year, has resigned and until his successor is appointed S. H. Whitfield, vice-president, will be the active head of the company.

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Mining Dividends in 1933 Bolster National Income

Disbursements Total $27,125,804 as Compared With $23,829,232 in 1932 — Gold Mines Offset Decline in Base Metal Dividends

"Say It With Dividends" was handsomely answered by Canada's mining industry in 1933 when a total of $27,125,804 was disbursed, as compared with $23,829,232 in 1932, bringing the dividends paid by Canada's metal mines to the grand total of $533,175,632 since the inception of records, according to a survey made by The Financial Post, which incidentally, is the first of its kind ever made.

While the total dividends disbursed by the mines in 1933 were far short of the record established in 1929, when approximately $70,000,000 was disbursed, they do record a new high level for the gold mines of the Dominion and help offset the period of prosperity when the base metal mines were operating at peak profits.

British Columbia early took the lead in the disbursing of dividends from mining operations and it was not until the famous Cobalt silver camp came into production that Ontario took the leadership. It is also interesting to note that in 1933 the Porcupine gold camp stepped ahead of the Cobalt record in the aggregate payment of dividends. The Kirkland Lake district, currently the greatest distributor of dividends in the Dominion, has still a long way to go before it catches up to the record set up by the Porcupine camp.

In looking over the list of dividend payers in previous years, many names famous in bygone years are not even a memory to the majority of investors. The foremost dividend payer in the list is the International Nickel Co., which with its merged companies accounts for about 30 per cent of the total dividends paid by the metal mines.

The following tabulation gives the record of dividends paid by the various metal producers in Canada, according to The Financial Post records:

DIVIDENDS PAID IN CALENDAR YEARS

Mine British Columbia:	Main Product	Divds. Started	Last Paid	Paid in 1932 $	Paid in 1933 $	Divid. to End 1933 $
Antoine	Silver-lead	....	....	......	......	10,000
Apex	Silver-lead	1924	1924	......	......	1,884
Bell	Silver-lead	1924	1932	......	......	313,992
Belmont-Surf Inlet	Gold-copper	1919	1926	......	......	1,500,000
Canada Copper Corp.	Copper	....	....	......	......	615,399
Canada Goldfields Synd.	Silver-lead	....	....	......	......	291,000
Can. Pac. Explor.	Gold	....	....	......	......	37,500
Cariboo Gold	Gold	....	....	......	......	500,000
Cariboo McK., M. & M.	Gold	1900	1900	......	......	509,337
Centre Star	Gold	1900	1900	......	......	210,000
Cons. B. & Smelting	Lead-zinc	1906	1933	*1,478,275	*1,480,125	48,012,603
Daly Red Co.	Gold	....	....	......	......	881,570
Duthie	Lead-zinc	1928	1928	......	......	50,000
Fern Gold M. & M.	Gold	1897	....	......	......	15,000
Florence Silver Mng.	Silver-lead	1918	....	......	......	34,746
Goodenough	Silver-lead	1897	....	......	......	45,188
Granby	Copper	1903	1932	52,950	......	18,355,039
Hall Mng. & S.	Copper	1897	....	......	......	175,000
Hedley Gold Mng.‡	Gold	1909	1919	......	......	2,640,000
Highland Lass	Silver-lead	1931	1932	......	......	3,081
Howe Sound§■	Copper	1918	1933	570,000	330,000	13,842,925
Idaho Mine (various)	Silver-lead	....	....	......	......	400,000
I. X L. (various)	Gold	1923	1925	......	......	100,558
Jackson Mines	Silver-lead	....	....	......	......	20,000
Last Chance	Silver-lead	....	....	......	......	213,109
Le Roi No. 2	Gold	....	....	......	......	1,620,000
Le Roi Mining Co.	Gold	....	....	......	......	1,475,000
London & B. C.	Gold	....	....	......	......	350,000
Lucky Jim	Silver-lead	....	....	......	......	100,000
Monitor	Silver-lead	....	....	......	......	27,500
Mother Lode	Gold	....	....	......	......	181,300
Mountain Chief	Silver-lead	1924	1924	......	......	1,482
Noble Five (various)	Silver-lead	1896	1930	......	......	62,859
North Star	Silver-lead	1900	1910	......	......	494,000
Payne	Silver-lead	....	1900	......	......	1,438,000
Pioneer	Gold	1931	1933	210,210	735,735	1,101,203
Poorman (various)	Gold	....	....	......	......	25,000
Premier	Gold	1921	1933	600,000	600,000	16,850,000
Providence	Silver-lead	....	....	......	......	620,000
Queen Bess Con.	Silver-lead	....	....	......	......	25,000
Reco M. & M.	Silver-lead	1897	1897	......	......	287,000
Rambler Cariboo (various)	Silver-lead	1897	....	......	......	560,000
Retallack & Co.	Silver-lead	....	....	......	......	230,000
Roseberry-Surprise	Silver-lead	1926	1926	......	......	25,000
Ruth (various)	Silver-lead	....	....	......	......	165,000
Silversmith	Silver-lead	1923	1926	......	......	725,000
Slocan Star	Silver-lead	1897	....	......	......	575,000
Standard S. L. Mng.	Silver-lead	1912	....	......	......	2,700,000
St. Eugene	Silver-lead	....	....	......	......	210,000
Sunset	Silver-lead	....	....	......	......	66,000
Surf Inlet Gold M.	Gold	1919	....	......	......	447,263
Surprise.	Silver-lead	....	....	......	......	20,000
Tyee Copper	Copper	1903	1904	......	......	291,825
Utica	Silver-lead	....	....	......	......	64,000
Wallace Mountain	Silver-lead	1923	1925	......	......	124,000
War Eagle C. M. & D.	Gold	1898	1900	......	......	1,245,250
Washington	Silver-lead	....	....	......	......	38,000
Whitewater	Silver-lead	....	1927	......	......	209,000
Ymir Gold	Gold	1902	....	......	......	200,000
				2,911,435	3,145,860	121,331,608
Nova Scotia:						
Montreal-London†	Gold-silver	1900	1900	......	......	47,928
Ontario:						
Cobalt Area:						
Aladdin Cobalt	Silver	....	1917	......	......	75,000
Beaver	Silver	1911	1920	......	......	2,787,000
Buffalo	Silver	1906	1924	......	......	710,000
Casey Cobalt	Silver	....	1914	......	......	203,249
Castle Trethewey	Silver	1924	1925	......	......	18,027
City of Cobalt	Silver	1908	1920	......	......	145,000
Cobalt Central	Silver	1909	1909	......	......	192,845
Cobalt Comet	Silver	....	1915	......	......	230,000
Cobalt Lake	Silver	1913	1914	......	......	465,000
Cobalt Silver Queen	Silver	1907	1908	......	......	315,000
Cobalt Townsite	Silver	....	1914	......	......	1,042,260
Coniagas	Silver	1907	1933	......	96,415	11,536,415
Crown Reserve	Silver	1908	1916	......	......	6,190,849
Foster Cobalt	Silver	1907	1907	......	......	45,000
Hudson Bay	Silver	1910	1918	......	......	778,909
Keeley	Silver	1923	1928	......	......	2,240,000
Kerr Lake	Silver	1907	1927	......	......	10,521,000
La Rose	Silver	1908	1923	......	......	6,600,547
Lorrain Trout Lake	Silver	1925	1925	......	......	150,000
McKinley-Darragh	Silver	1907	1920	......	......	5,955,392
Mining Corp.‡	Silver	1914	1929	......	......	7,573,937
Nipissing	Silver	1905	1931	......	......	29,940,000
Penn. Can.	Silver	....	1917	......	......	175,462
Peterson Lake	Silver	....	1917	......	......	462,350
Right of Way Mines	Silver	....	1917	......	......	252,825
Right of Way Mining	Silver	1907	1909	......	......	324,644
Seneca Superior	Silver	....	1916	......	......	1,579,817
Temiskaming	Silver	1912	1920	......	......	2,159,156
Temiskaming & H. B.	Silver	1905	1914	......	......	1,940,250
Trethewey	Silver	1906	1919	......	......	1,211,999
Wettlaufer Lorrain	Silver	....	1913	......	......	637,465
				......	96,415	96,459,398
Porcupine Area:						
Coniaurum	Gold	1932	1932	80,923	......	80,923
Buffalo Ankerite	Gold	1933	1933	......	42,102	42,102
Dome■	Gold	1915	1933	1,239,335	1,716,001	18,459,512
Hollinger	Gold	1910	1933	3,690,000	4,182,000	66,102,400
McIntyre Porcupine■	Gold	1917	1933	997,500	1,197,000	12,260,267
Porcupine Crown	Gold	1914	1917	......	......	840,000
Rea Consolidated	Gold	1915	1915	......	......	12,000
Vipond	Gold	1927	1927	......	......	67,500
				6,007,758	7,137,103	97,964,704
Kirkland Lake Area:						
Lake Shore	Gold	1918	1933	6,000,000	6,000,000	27,020,000
Sylvanite■	Gold	1930	1933	164,975	164,975	527,910
Teck Hughes	Gold	1926	1933	2,884,286	2,884,286	18,673,860
Tough Oakes	Gold	1915	1916	......	......	398,625
Wright Hargreaves■	Gold	1921	1933	962,500	962,500	7,356,250
				10,011,761	10,011,761	53,976,645
Sudbury Area:						
Falconbridge Nickel	Nickel	1933	1933	......	799,889	799,889
International Nickel•■	Nickel	1894	1933	1,938,909	1,933,900	148,910,908
				1,938,900	2,733,798	149,710,797
Total Ontario				17,953,428	19,979,077	398,111,544
Quebec:						
Noranda■	Gold-Copper	1930	1933	2,463,749	3,359,658	12,542,723
Siscoe	Gold	1932	1933	500,620	641,209	1,141,829
Total Quebec				2,964,369	4,000,867	13,684,552
Grand Total Canada				23,829,232	27,125,804	533,175,632

* As at Sept. 30, 1933. † Dividend record incomplete. ‡ Includes predecessor companies. § Includes profit from Britannia as well as properties outside Canada. • Par value of 5% stock dividend paid in lieu of cash bonus July 15, 1931 and Jan. 15, 1932; 10% stock dividend paid in lieu of cash dividend March 1, 1933. ▲ Plus bonus. ■ U. S. funds.

Coal Mining in Canada Shows Operating Loss

An Operating Loss of 12 Cents Per Ton of Coal Mined Shown by Survey by Dominion Fuel Board

A survey by the Dominion Fuel Board covering 86 per cent of the total coal production in Canada discloses that it is mined and marketed at a total cost of $3.71 per ton, incurring an operating loss of about 12 cents per ton. The greatest loss is shown on the Nova Scotia production, while New Brunswick and the bituminous production from Alberta both show an operating profit. The following tabulation shows the distribution of cost for the various provinces and the aggregate for the Dominion:

Per Cent Distribution of Operating Costs, 1932 By Provinces and Districts

	N.S.	N.B.	Sask.	Alberta Lignites	Alta. Sub-Bitumin.	Alta. Bitumin.	B.C.	Total Canada
	%	%	%	%	%	%	%	%
Distribution	9.1	4.0	10.1	4.3	3.1	2.8	6.8	6.9
Maint. & devel.	2.1	7.8	8.8	3.6	1.8	3.0	1.3	2.6
Workmen's comp'n	1.4	3.1	1.6	2.2	2.1	2.1	2.5	1.9
Rent & royalty	3.0	3.2	2.9	4.0	2.4	3.3	1.9	3.0
Insur. & taxes	1.9	1.6	2.8	2.6	1.9	4.2	2.0	2.4
Overhead	13.6	10.6	15.0	6.2	10.1	8.7	4.9	10.2
Power	7.6	3.0	5.2	3.4	3.7	6.2	5.9	6.2
Deplet. & deprec.	5.6	6.6	13.5	7.2	10.3	9.8	12.7	8.0
Stores	9.3	4.8	3.9	6.2	5.3	8.0	8.6	8.2
Labor	46.4	55.3	36.2	60.3	59.3	51.9	53.4	50.6
	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0
% profit or loss of operating costs	−5.5	+3.1	−1.6	−1.9	−14.4	+5.7	−4.8	−3.3

The Week in Mining

Moss Position Tragic

THE proposed plan of reorganization of Moss Gold Mines, announced last week, reveals a startling state of affairs in that it threatens shareholders with a loss of their property and their entire investment unless refinancing provides funds to pay off the obligations due to the vendor of the property. It will be recalled that the Abana Mines worked itself into much the same position and like Moss at one time it had a flush treasury, but did not take the precaution of paying off the vendor with the result that all would have been lost so far as the shareholders were concerned, had it not neen for the beneficent attitude of the new purchaser.

Moss Gold Mines still has a principal amount of $25,000 owing on part of its property to Shield Development Company, the vendors. Shield Development was organized and is controlled by Norman R. Fisher, former president of the Moss Gold Mines, under whose regime the company got into financial difficulties. The regrettable part of the fiasco is that on March 23, 1931, when operations were resumed for the purpose of rehabilitating this old property, the company was in possession of $401,988 in cold cash in the bank. Ordinarily this would have been twice the amount required to build a 100 ton mill and bring the property into production. Within the space of 15 months after production was started in March, 1932, the company found itself in financial difficulties with $402,000 gone as well as a production to date valued at close to $400,000 and a claim of creditors amounting to over $100,000.

The amazing thing is that the vendor who received 50 per cent of the original capitalization of the company plus $65,000, is now pressing his claim for the final $25,000 payment on the property, though it was only an option that he turned over to the company. The irony of it all is that the Shield Development Co. and Norman R. Fisher, its chief sponsor and the first president of Moss now stand to get the most valuable part of the property back together with all improvements unless the vendor's claim is paid in full.

Employ More Engineers

ALTHOUGH Canada's gold mining industry is in an unprecedentedly healthy state and exploration work is being undertaken on a more aggressive scale than heretofore, unemployment among trained mining engineers and geologists is an unhappy factor in Canada's otherwise satisfactory mining situation. This condition in part has been brought about by scores of base metal mining prospects and projects suspending operations owing to the low price of metals and although a boom in gold mining is under way it has not absorbed trained members of the mining fraternity as fast as they have been produced by our universities and the large mining companies.

With greater than usual promotional activities now under way with the idea of interesting the investing public in gold prospects, these promoters should be forced to provide a complete engineer's report in their prospectus. In many instances these promotions are nothing more than moose pasture that has never been seen by the promoters, nor had more work done than driving stakes by the prospector. If an engineer's report, over the signature of the engineer, was incorporated in a prospectus investors would at least be safeguarded against unwarranted statements of promoters. If the engineer making the examination was disposed to misrepresent the stigma of unworthiness would soon become generally known and he would be ostracized from the mining fraternity.

New Mines Return Forms Explain Lower Investment

The capital employed in Canada's mining industry in 1932 was made public by the Dominion Bureau of Statistics last week showing $685,211,573 or a substantial decline over previous years figures. In 1931 the capital employed was shown at $842,000,000. In explanation of this apparent decline the Dominion Bureau of Statistics refers to a changed method of accounting. Heretofore, many mining companies, particularly those holding properties in the development stage, were disposed to include unbroken ore showing the value of the property. This obviously tended toward exaggeration of the mine's value and the capital employed and last year the return forms were altered to show capital employed alone, which while lower than the previous year gives a truer picture of Canada's investment in mining.

Export Boxes to Africa

At least $180,000 worth of business for 1934 in the box factory line, is assured Canada by South Africa, which has ordered three-quarters of a million boxes from this Dominion, for the purpose of crating oranges and other citrus fruits which South Africa expects to export during the course of next year.

New Fish Cannery

The construction of a new fish cannery involving an expenditure of $35,000 is contemplated on the North Arm of the Fraser River. Plans have been approved by the Vancouver City Board of Works. They involve the erection of the cannery, reduction plant and a 94-foot wharf.

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Canadian Mining News

W. HARGREAVES MILL EXPANSION MAY GO FURTHER

Mill Stepped Up to 1,000 Tons Daily—Further Increase Likely

By Staff Editor

KIRKLAND LAKE.—With the completion of its mill rehabilitation and expansion programme from 800 to 1,000 tons daily this month, Wright Hargreaves Mines promises definitely to step ahead of Teck Hughes Gold Mines as the second largest gold producer in the Kirkland Lake camp. With a 25 per cent increase in milling capacity only just completed, eyes of the management are now turned towards still another increase in capacity that may be reflected in production before the end of the company's fiscal year on August 31, next.

The mine is steadily showing improvement under the direction of M. W. Summerhayes, general manager of the company, with about three tons of ore developed for each two tons of ore mined. With this policy guiding operations and with the lower levels opening up in such a satisfactory manner it is not anticipated that any difficulty will be met in continuing this three-two ratio of new ore, while the present 1,000 ton daily tonnage is being milled.

No Stoping Below 2,700 Ft. Level

Both the No. 3 and No. 4 shafts were completed to the 4,050 ft. horizon earlier this year, but all the ore is hoisted through the No. 3 shaft, the No. 4 being used for transporting men and supplies.

Steady progress is being made in opening up the lower levels, but no stoping is being done below 2,700 ft. Mr. Summerhayes advises that, in blocks of 500 ft. vertical depth, there is little difference in the average tonnage or grade of ore developed.

The grade of ore being treated has been steadily improving for many quarterly periods and during the quarter ended September 30, the average recovery was $13.50 per ton to give an average of $12.70 for the first nine months of this year. Notwithstanding the greater tonnage presently being mined and further increases probable, it is evident from the development work done on the lower levels that similarly high heads can be maintained.

Unlike most of the other mines in the camp, Wright Hargreaves has continued to treat a higher grade of ore with the higher than normal price of gold.

This is explained by the fact that very little low grade ore was left from the earlier operations and in recent years it has been the policy of the management to clean up the last vestige of commercial ore as stoping proceeded, then back-fill. At the present time the waste rock encountered in being used for back-filling.

Minto Gold Mines in B. C. Reports Good Progress

From Our Own Correspondent

VICTORIA, B.C. — Excellent progress has been made at the Minto Gold Mines property in the Bridge River area, according to a report made by G. Allan Crane, consulting engineer of the company.

Between November 27, when power drilling equipment commenced, on what is known as the Hagmo tunnel, up until December 1, an advance of 24 feet, to a total distance of 204 feet, from the portal had been made.

Mr. Crane in his summarized review of operations states that the vein in the Warren tunnel, which is being driven simultaneously with the Hagmo, has gradually increased in width as the work advanced. Average values across a five-foot face are given as $8.84 per ton while in a crosscut driven to determine the width and nature of the vein, an average value of $5.45 was obtained across a width of 23 feet.

Sylvanite Dividend Likely to be Raised

Sylvanite Gold Mines directors meet January 2 to decide on dividends usually paid on December 31. Just what this dividend will be is a conjecture, but having regard for the company's present high earnings rate due to the present price of gold, it is thought that the next disbursement will be more liberal than usual.

Already this year a total of five cents per share has been paid, the same as in 1932. Since dividends were inaugurated late in 1930 a total of $527,920 has been disbursed.

Nahanni River Gold Discovery Stirs Interest

Excitement is reported to be running high at Fort Simpson, situated at the confluence of the Liard and Mackenzie Rivers in the Northwest Territory, over the reported find of gold in the Nahanni River area, some 250 miles west of Fort Simpson. Interest in the district dates back to 1904 when the three McLeod brothers prospected the area on information given by a grateful Indian chief. Not until three years later was anything heard of the expedition when two of the McLeod bodies were found beside the ashes of a camp fire.

In 1928 John E. Hammell sent a party into the area on what is now known as McLeod Creek and staked claims, which were allowed to elapse. Canadian Airways is transporting enthused prospectors to the area, while other prospectors are going in by dog teams from Fort Simpson.

At the Mines

Barry-Hollinger Gold Mines—Milling operations are to be resumed on January 10, 1934, according to advice from the property at Boston Creek, Ont.

* * *

Base Metals Mining Corp.—A cargo of lead and zinc concentrates shipped December 17 to Europe on S.S. "Geddington Court," comprised 788.7 dry long tons, containing 78.6 per cent lead and 12 ounces of silver per ton. The zinc concentrate comprised 1,035 dry long tons containing 68.8 per cent zinc.

* * *

Consolidated Mining and Smelting—Advice from Northwestern Quebec states the company has taken over the Smith-Omalinchuk group of claims adjoining the North Triblemount property on the border of Senneterre township.

* * *

Dyment Mining & Investments—A diamond drill contract has been awarded to Smith & Travers of Sudbury, to prospect the company's property in the centre of Denyes township, at Dyment Lake, Swayze area, Ont.

* * *

Lamaque Gold Mines—Shareholders are offered 450,000 treasury shares at 25 cents each, of which Teck-Hughes has the right to subscribe for 317,647 shares; Read-Authier Mines 105,882 shares and Canadian Exploration Company 26,471 shares.

* * *

Maskwa Lake Mines—Plans are under consideration for taking in a test mill to the company's property between the Big Bear and Little Bear Lakes in the Winnipeg River area of Manitoba, according to Fred C. Rumble, president of the company.

* * *

New Goudreau Gold Mines — Last week shareholders approved of the sale of its property to Algold Mining Co. on the basis of one share in that company for each three new Goudreau shares held. The new company has a capitalization of $2,500,000.

MOSS GOLD MINES HAS YET ANOTHER REORGANIZATION

Title to Property Not Clear—Vendor Owed $25,000

The present directors of Moss Gold Mines are still struggling with plans for the financial rehabilitation of the company and have announced another plan of reorganization. Following the resignation of Norman R. Fisher, its first president, under whose guidance financial difficulties arose, a petition for a receivership was made this summer but to date its affairs are still entangled.

In an effort to save the company, a capital reorganization was approved last July and old shareholders were given one new share for each four shares. Approval was also given for the creation of a $300,000 mortgage. Unable to work out of its financial difficulties in this manner a petition in receivership was made last September and now comes the announcement that a further reorganization is planned for a submission to creditors and shareholders on January 4 at Ottawa.

In a letter to shareholders C. G. Greenfield, K.C., outlines the company's position and makes the following proposal:

"A new company is to be organized with an authorized capital stock of 3,000,000 shares of the par value of $1.00 each.

"One million shares are to be issued to the liquidator for accounts of the creditors and shareholders of the company. The shareholders are to receive one new share for each three shares held. This requires 588,784 shares. The remaining 411,216 shares are to go to the creditors. All of the shares are to be held by the liquidator and distributed to the parties in interest at the end of two years, save and except, 300,000 shares of the creditors' stock upon which options are to be granted at prices set forth in the proposal. The balance of the treasury stock of the new company, i.e., 2,000,000 shares, is to be available to finance the requirements of the new company. Out of this treasury stock 250,000 shares are to be issued against payment therefor at 10 cents per share upon acceptance of the offer and the organization of the new company, thus providing the new company at the outset with $25,000 in cash. The sum of $25,000, to make this payment, has been deposited with the offer. Options are to be granted on the remaining treasury shares at advancing prices as set forth in the proposal.

May Lose Property

"The new company is to take over the properties and assets of the old company as at December 1, 1933, with the exception of all cash and the proceeds of all bullion shipments up to November 30, which are to be retained by the liquidator.

"It is only possible to give an approximate estimate at the present time of the amount which the creditors may expect to receive, but, if the present proposal is accepted and carried through, creditors can expect an initial dividend of 15 cents on the dollar at an early date after the new company is organized to be followed by a further distribution at a later date when the liquidation is completed. If the present proposal is not carried through, substantial monthly payments for maintenance, insurance and other charges will have to be made and the amount of funds in the liquidator's hands for ultimate distribution to the creditors will be progressively diminished.

"There is a balance of $25,000 principal and $1,500 interest due to the vendors of Mining Location H1 which matured December 1, 1933, but the principal payment has been extended for one year subject to the payment of $1,500 interest overdue and quarterly interest payments thereafter. Default in any of these payments forfeits the property and all plant and equipment installed."

Montreal Property Owners

The City of Montreal has 65,700 individual property owners, according to a report of the assessors' department.

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THOMPSON CADILLAC PLANS 100-TON MILL

Ore Developments on 600-ft. Level Reported Best Yet

An official report on Thompson-Cadillac Mines developing a gold property in Cadillac township, Quebec, states that since September 1, 1933, the mine has been dewatered and a check up made on the sampling on the first, second and fourth levels, gives sufficient encouragement to warrant the installation of a 100-ton daily capacity mill, planned for operation in July, 1934.

When operations were suspended in March, 1930, owing to lack of finances, a three compartment shaft had been sunk to a depth of 620 feet with working levels established at 150, 300 and 600 feet, where a total of 3,485 feet of development work had been done. Work has just been resumed on the 600-ft. level and drifting east and west from the shaft will be pushed as rapidly as possible and it is expected to have this horizon opened up by May 1. If the downward extension of ore found on the 150 and 300-ft. levels is found on the 600-ft. together with a like width and grade it is estimated that approximately three years' ore will be in sight for a 100-ton capacity mill by July 1. The ore bodies are reported wider and a better grade on the 300-ft. level than on the 150-ft. level. The limited amount of work on the 600-ft. level shows further improvement. Between the 300 and 600-ft. levels average width of six feet is indicated and in several places on the 300-ft. level an eight-ft. width is shown and a 12-ft. width on the 600-ft. level. No detailed assays are given.

Grade Reported Better Than $8

Some time ago an official report showed one ore shoot for a length of 35 feet assying $30.26 per ton over full mining width and a whole average of the ore shoot on the 150-ft. level was in excess of $8 per ton. On the 300-ft. level one ore shoot 650 feet in length on the No. 2 vein is estimated to average better than $8 per ton over the full drift width. The indicated ore on the 150-ft. level is shown at 8,000 tons and 27,000 tons on the 300-ft. level.

Officials state it is not the intention to create a feeling of too much optimism, but at the same time the whole outlook for the property is seen as very promising. On December 27 shareholders meet to approve the sale of treasury shares at a discount of 90 per cent or at 10 cents each but this does not necessarily mean that the shares will be disposed of at this price.

The company was incorporated in 1926 with an authorized capitalization of $3,000,000 in $1 par value shares of which 2,092,348 were outstanding at last report. The company is purely a holding company and owns all of the stock of the Thompson-Cadillac Mining Co., its operating subsidiary.

Casey Summit Mill Operating Next Spring

Definite plans to install a mill on the Casey Summit Gold Mines property in the Patricia district, are taking shape. It is proposed to complete the present 20-ton mill and have it in operation by next spring, according to R. G. Williamson, president and general manager of the Casey Summit, following discussions with directors of Maple Leaf Mines which is financing the work on Casey Summit.

This vein has been developed for a length of 140 feet at the 75-ft. level showing $18 average values at standard gold prices, across 3.2 feet, over the entire length of the drift and with both faces still in ore. During the sinking of the shaft it was cut again at a depth of 156 feet and at this point it gave an average in channel sampling of 2.13 ounces to the ton across a four-foot width, after the elimination of free gold. Crosscutting on the 200-ft. level encountered the vein and showed a width of four feet, with free gold in evidence.

Nova Scotia Gold

Improved mining and milling equipment, combined with low cost electric power, make it economically possible to restore the Gold Mining Industry of this Province.

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Several large low-grade ore bodies due to GOLD being worth around $32, as against the old price of $20.67 per ounce, can now be mined at a profit.

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A Branch of the Mines Department deals exclusively with Gold Mining.

Hon. Michael Dwyer
Minister of Public Works and Mines
HALIFAX, N.S.

Chibougamau Prospectors Plan Merger N. Y. Group

Shareholders of Chibougamau Prospectors are notified of a special general meeting to be held in Montreal on January 2, to approve of the sale of 1,000,000 shares of treasury stock to undisclosed interests at a price not named. Approval also is sought for the consolidating of the company's properties with certain properties controlled by undisclosed New York interests, also located in the Chibougamau district of Quebec. These interests are reported to have arranged to provide over $1,000,000, to be spent for development of the combined properties during the next three years.

Noble Five Mines Gets Electric Power

From Our Own Correspondent

VANCOUVER, B.C.—Paul Lincoln, president and managing director of Noble Five Mines, in a progress report regarding work on the Venus, Juno and Athabaska properties near Nelson, states that power connection with the West Kootenay Power Company was completed early in November.

The Athabaska tunnel is now in 100 feet and has been driven on the vein for 30 feet. It is expected that the ore shoot will be reached within 60 days.

Nova Scotia Gold

We invite enquiries about the Nova Scotia Gold Field

Some attractive properties are listed with us for sale or development. We buy and sell mining properties and authentic information is available through us.

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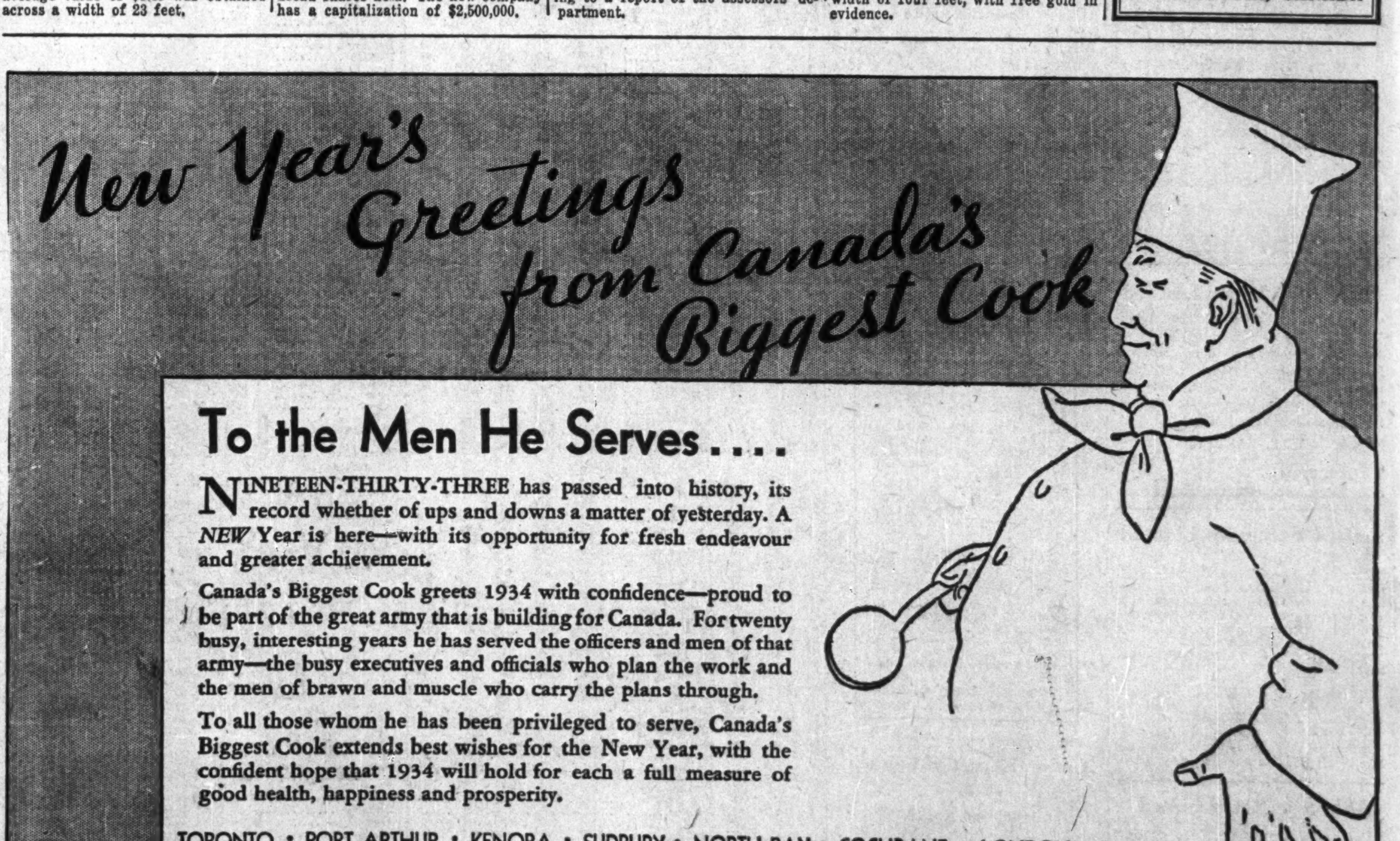
New Year's Greetings from Canada's Biggest Cook

To the Men He Serves....

NINETEEN-THIRTY-THREE has passed into history, its record whether of ups and downs a matter of yesterday. A *NEW* Year is here—with its opportunity for fresh endeavour and greater achievement.

Canada's Biggest Cook greets 1934 with confidence—proud to be part of the great army that is building for Canada. For twenty busy, interesting years he has served the officers and men of that army—the busy executives and officials who plan the work and the men of brawn and muscle who carry the plans through.

To all those whom he has been privileged to serve, Canada's Biggest Cook extends best wishes for the New Year, with the confident hope that 1934 will hold for each a full measure of good health, happiness and prosperity.

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